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STRATEGIES FOR LUMBER/BUILDING MATERIAL DISTRIBUTION PROS

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MARCH 2022 \$10 U.S.

DEALER OF THE YEAR 2022

ANNUAL SALES: \$10-\$50 MILLION

CAPITAL LUMBER COMPANY

IN DEPTH: TECH TOOLS

TECHNOLOGY SOLUTIONS PROVIDE
LBM DEALERS THE POWER TO
SUCCEED IN TODAY'S CHAOS

HOT PRODUCTS FROM IBS



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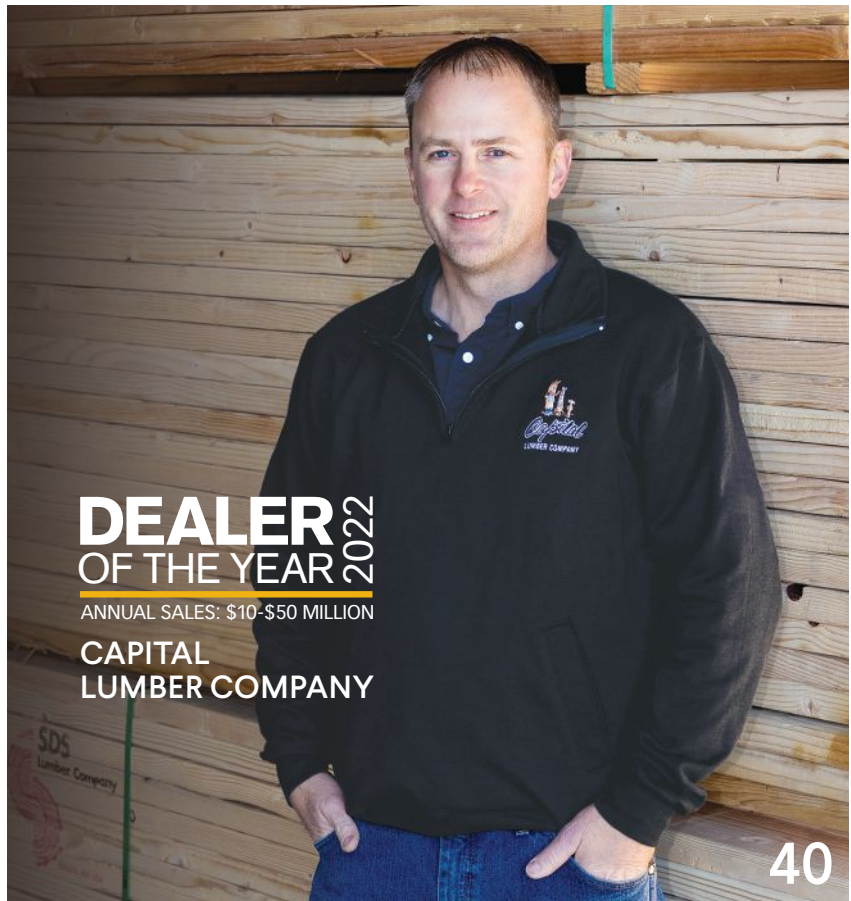
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TIPS & TRENDS FOR SELLING TRIM

As homeowners continue to focus their attention on remodeling projects and growing their outdoor living spaces, exterior facelifts are top of mind for pros and consumers alike. For LBM dealers, supporting customers means staying up on what's new and what homeowners and home buyers are looking for from their builders and remodelers.

Here are a few things to keep an eye out for.

Low-maintenance materials: Homeowners, no matter their age, don't want to spend time painting and staining their trim and siding. Products that offer the look of wood without the maintenance are ideal. AZEK® Trim with PaintPro® Technology, for example, is engineered for consistency, moisture and rot resistance, durability, and workability. The trim comes ready to paint, and offers superior adhesion to reduce chipping, cracking, and other defects over time.

Dark trim: One of the biggest trends in exterior facades right now is pairing white siding with black trim or other dark hue. Part of this is driven by the ongoing demand for modern farmhouse looks, with dark trim lending a sleek look that coordinates with trendy black window frames. AZEK Trim with PaintPro Technology can be painted darker colors, provided installers are using the right paint type as they move toward darker hues. (AZEK has listed recommended paint and colors that are approved for use on its products on its website.)

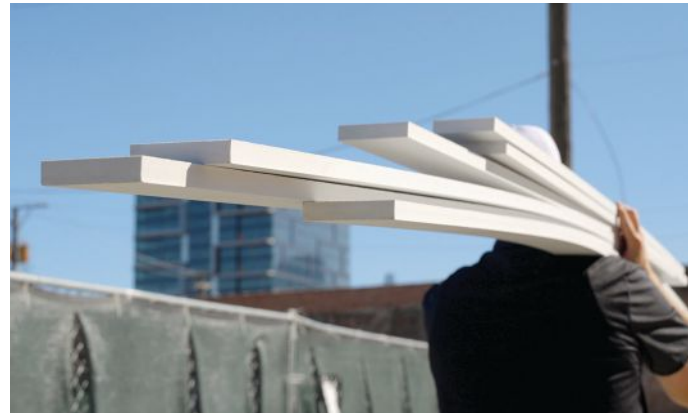
Mixed materials: Another ongoing trend is blending different materials to differentiate the façade, such as mixing stone with board-and-batten (including the battens with PaintPro Technology), adding a pop of color or texture in gables, or mixing in natural wood with modern metals.

TIPS FOR SELLING TRIM

Helping your customers meet their exterior design goals is easier than ever with AZEK Trim with PaintPro Technology. It offers the high-performance and low-maintenance benefits you expect from AZEK Trim but is engineered for paint to save installers time and money.

Consider these strategies:

Provide support: Contractors may be reluctant to switch to a new material, so dealer support is essential. Connect your customers with manufacturer's representatives who can provide installation instructions and best practices to ease the transition. AZEK, for example, uses the same tools to cut and fasten as wood, but has a few best practices to ensure the paint lasts as long as it's designed to. One-on-one onboarding, videos, collateral, and other tools help ensure the best outcome.



COURTESY OF AZEK EXTERIORS

As a dealer, you can stay one step ahead of your customers by leveraging AZEK's new digital learning center. Launching this month, the learning center will feature educational modules specifically for retailers.

Promote sustainability: AZEK Trim with PaintPro Technology has a unique sustainability story—their recently launched AZEK FULL-CIRCLE PVC RECYCLING™ takeback program keeps waste out of the landfill and makes it easier for contractors to advertise their green building practices. The FULL-CIRCLE initiative accepts PVC deck trimmings and siding scraps that are historically thrown away and reduces their environmental impact (and disposal fees) through vertically integrated recycling efforts.

Sell the proper companion products: Ensuring the best installation and product experience relies on providing customers with the right tools. This includes offering the required fasteners, the recommended housewrap and flashing behind the siding and trim, and the proper paint. PaintPro Technology is formulated for vinyl, 100% acrylic latex paint, making it easy to find the perfect paint color. Specifying the right paint will ensure the finish lasts for as long as designed. Visit www.azekexteriors.com/painting to find the right color and paint product.

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The next big thing?

YOUR LBM JOURNAL TEAM just returned from the International Builders Show (IBS), which was held Feb. 8-11 in Orlando. Since our purpose is to find and deliver the information and insights to help you work better and smarter, IBS is a can't-miss annual event for us, as it is the single biggest showcase of the latest and greatest building materials.

Our primary goal at IBS is to comb the showfloor—which this year included more than 800 companies and more than 425,000 square feet of exhibits—in search of the most notable new products, and improvements on existing products. Again this year, I was honored to serve as a judge for the Most Innovative Building Material category, as part of the Best of IBS Awards Program. Again this year, I was truly impressed with the product offerings that manufacturers have been working on. If you're on the lookout for some innovative new products to bring to your market, I encourage you to check out our Hot Products from IBS recap, beginning on page 52. Who knows, perhaps the next big thing in your market is in these pages.

There's a big change coming to IBS for 2023 that may prompt you to mark your calendar for a few days out of the office. For the first time ever, the National Hardware Show (NHS) will be co-located with IBS and the Kitchen & Bath Industry Show (KBIS). Consider marking your calendar now to be in Las Vegas from January 31-February 2, 2023. Jerry Howard, CEO of the National Association of Home Builders says, "Co-locating NHS with IBS and KBIS will allow attendees to explore additional products and opportunities to grow their businesses and maintain a competitive edge in the market." Watch LBM Journal, and LBMJournal.com for more information.

A theme that ran through all of our conversations at IBS was supply chain issues—which rivals the labor shortage as the number one issue facing the LBM community. While the problem won't completely disappear anytime soon, virtually every manufacturer we talked to has this issue at the top of their list of concerns. Product shortages and delays help no one. Between a renewed focus on American-made and efforts to maximize production of commodity materials, we're cautiously optimistic that the worst is behind us.

Here's to continuing to work together to navigate a very challenging market, and to help you grow your sales, your business, and your brand.

— Rick Schumacher
Executive Editor & Publisher



Rick@LBMJournal.com



You work hard to build strong relationships with your pro contractor customers, providing more than product supply at the best cost. Do it Best works just as hard to understand your vision and build a relationship with you.

Our highly trained LBM team averaging nearly 20 years of experience is driven to be a knowledgeable, proactive extension of your business—leveraging sophisticated buying tools and strategies to grow your bottom line.

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Culture, strategy, breakfast, and more

A **COMMONLY** quoted phrase in the business world is attributed to management guru Peter Drucker, who said, “Culture eats strategy for breakfast.” Fun fact: It seems impossible to actually find the quote as stated by Drucker. I know this because I’ve spent nearly an entire evening on the internet trying. Hundreds of sources attribute the quote to Drucker, but I can’t seem to find when or where Drucker actually coined the phrase himself. The closest I can find is a 2006 quote by Mark Fields, who was with Ford Motor Company and eventually became the company’s CEO, who attributed the phrase to Drucker. Regardless of how many hours I put into bringing you that useless trivia, the quote stands on its own and just as well have been Drucker’s if anyone’s.

As you’ll read in this month’s Real Issues. Real Answers. feature on page 32, company culture is at the heart of a major challenge faced by nearly everyone reading this magazine: attracting and retaining quality team members. Without a recognizable (and positive) company culture, not only will you fail in bringing on new employees, you’ll risk losing the ones you have as well. Chances are, we’ve all had one of those jobs where the culture was so toxic employees either didn’t last long, or if they stayed, they spent much of their day complaining.

We know companies are more conscious than ever of the culture within their ranks. We see it in the barrage of news stories about overall cultural and economic shifts driving

a shortage of workers as the country weens itself from a pandemic. Some companies we’ve heard from have solved the labor issue by raising wages and offering benefits and perks previously reserved for tech startups. Other companies (many in the LBM sector) are already as lean as can be and find that enhancing their cultures must come not through extra expenses, but intangible benefits such as schedule flexibility, remote work, and collaborative career pathing.

Placing an ad in the paper and having a new hire follow a grizzled veteran around for a couple days before throwing them to the fire is becoming a thing of the past. As you can see from the more than 200 reader comments, leaders in the LBM industry are embracing outreach, inspiration, and engagement not only to establish the culture of their companies, but to work collaboratively with team members to decide what the company culture is going to be. While the word cloud graphic on page 32 shares some of the most-often used words from comments that readers submitted—family, integrity, honesty, among others—I think the future of our company cultures can also be found in some of the smaller words, such as transparency, involved, and servant.

Are you doing something at your workplace that improves and promotes an all-star company culture? If so, I’d love to hear about it, and to share your philosophy with our readers. Drop me a line at james@lbmjjournal.com.

— James Anderson
Editor



A handwritten signature in dark ink that reads "James Anderson".

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Q: The technology powering today's ERP platforms offers companies more data than ever. How does Koopman leverage the data from your Epicor software?

A: BisTrack gives us the ability to customize dashboards to individual users needs by putting the information and data that they need on a daily basis at their fingertips. They can also push information out to the employees for tasks to be completed or an area that needs attention. Smart Views can be used to calculate data automatically rather than using manual spreadsheets, which saves us time. With customization, the possibilities are endless, so it's really a matter of harnessing the data for the company's benefit.

Q: While our industry battles unprecedented supply chain issues, how does Epicor help you maintain accurate inventory counts in real time?

A: BisTrack has barcoding and scanning abilities to quickly receive and track inventory. Related documents is a tool that stores all the paperwork and information digitally relating to an individual order. By having the purchase order, acknowledgement, packing slip, stock receipt and supplier invoice easily viewed, inventory issues can be solved quickly.

Q: How do Epicor's technology tools help manage margins and navigate pricing issues?

A: The benefit of BisTrack is the many ways to change and manage pricing and margins so that you can really dial-in what is best for your customer base. Our previous system was "one size fits all," but now we have the benefit of changing metrics through imports, price rules, price bands, buying rules, selling discounts, promotions, bulk pricing, etc. It comes down to having a bunch of "tools in the toolbox," which will allow us to be much more dynamic going forward. The future of our business will be much more heavily focused on e-commerce sales, so our ability to make changes quickly will determine our ultimate success.

Q: Fleet management is more important than ever as drivers are hard to find. How does your software help you manage your deliveries?

A: The fleet management software that we use from BisTrack helps us to eliminate downtime for our drivers and trucks which is tremendously important in today's climate. We use GPS Insight which integrates right into BisTrack and tracks the time of each truck's runs and uses a geo-fence to help capture time in and out of the yard. We also use GPS Insight and the Delivery Dispatch in tandem as a customer service tool that the sales team can pull up to get real time information on the location of the delivery trucks.



Denise Brookhouse is the CFO of Koopman Lumber in Whitinsville, Mass. Denise, her husband, Tony, and her brother, Dirk Koopman, make up the third generation leadership team at Koopman Lumber.

Q: Many of Epicor's services are available in real time and for mobile devices. How does Koopman take advantage of these offerings?

A: We utilize the BisTrack Delivery app to offer real time invoicing on orders while on the jobsite as well as to take pictures of delivery drops and credit pick-ups and obtain signatures from customer electronically. This allows the sales team, the company, and the customer to ensure the delivery is completed in full and on time. GPS Insight also integrates with Epicor to drive reporting around truck usage and maintenance to allow for planning of downtime on the trucks. We can get real time feedback through reports that tell us about idle-time, electrical systems, and fuel usage. We can also drive safety using the reporting around the truck checklists done on mobile phones by the drivers. The system also tracks speeding violations to be used by the managers for follow up safety conversations with our drivers. ■



The hands-on,

dialed-in industry experts

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UPDATES

PEOPLE

Boise Cascade has announced the following promotions: **Rob Johnson** is SVP of engineered wood products (EWP), sales & marketing; **Chris Seymour** is SVP of manufacturing operations, wood products; **Jim Wickham** is VP, building materials distribution (BMD) Eastern operations.

ODL, Inc. has named **Darren Revill** as vice president and general manager of ODL Asia.

BlueLinx has appointed **Seth Freeman** as vice president, marketing and communications, and **Sean Dwyer** as chief strategy and corporate development officer. **Kevin Alan Henry** has been named chief people officer.

Shara Gamble has been named president at **Envision Outdoor Living Products**.

Co-founders **Howard** and **David Sellick** have retired from **Sellick Equipment Limited**. **Colin Sellick** has been named president of the company, **Dan Rankin** is VP and CFO, and **Greg Buckley** is director of engineering and procurement.

Buildxact has named **Leah Walling** as executive VP of demand generation and interim executive VP of marketing. **Jennifer Castenson** is VP of ambassador and industry partner programs.

INDUSTRY

LP Building Solutions will sell its 50% interest in two joint ventures that produce I-joists to **Resolute Forest Products Inc.** for \$50 million.

Oldcastle APG is doubling capacity at its **MoistureShield** plant in Springdale, Arkansas.

CO-OPS & BUYING GROUPS

Do it Best has announced a new partnership with **Epicor** to enhance its members' ecommerce capabilities.

DISTRIBUTION

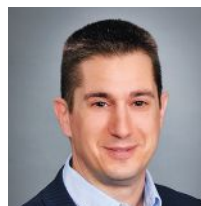
Digger Specialties, Inc. is now servicing the Tennessee market through **Palmer-Donavin**.

Hardwood Distribution, Inc. has acquired Midwest distributor **Mid-Am Building Supply**.

Encompass will now distribute **Avon Plastics**, manufacturer of **Armadillo** decking.



ROB JOHNSON



CHRIS SEYMOUR



JIM WICKHAM



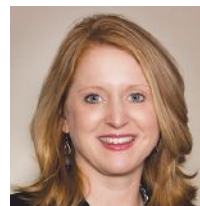
DARREN REVILL



SETH FREEMAN



SEAN DWYER



SHARA GAMBLE

Distributor **Palmer-Donavin** has named **Mark McNabb** and **CertainTeed** as recipients of the Vendor Representative and Vendor of the Year awards for 2021.

Wolf Home Products will distribute **Evolve Stone** in 13 states from Maine to Virginia.

BUILDER CONFIDENCE DIPS ON SUPPLY-SIDE CONSTRAINTS

Despite strong buyer demand, builder sentiment continued to slip in February as the industry grapples with ongoing building material production bottlenecks that are raising construction costs and delaying projects.

Builder confidence in the market for newly built single-family homes moved one point lower to 82 in February, marking the second straight month that confidence levels have declined by a single point, according to the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI). Despite these monthly declines, the HMI has posted very solid readings at or above the 80-point mark for the past five months.

Looking at the three-month moving averages for regional HMI scores, the Northeast increased three points to 76, the West rose one point to 89, the Midwest fell one point to 73 and the South edged one point lower to 86.

SUPPLY CHAIN ISSUES DRAG HOUSING STARTS WHILE PERMITS INCREASE

With builders continuing to report supply chain problems that are causing construction delays, overall housing starts decreased 4.1% to a seasonally adjusted annual rate of 1.64 million units, according to a report from the U.S. Department of Housing and Urban Development and the U.S. Census Bureau. However, in a sign of strong demand, building permits increased at a solid pace in January.

The January reading of 1.64 million housing starts is the number of housing units builders would begin if development kept this pace for the next 12 months. Within this overall number, single-family starts decreased 5.6% to a 1.12 million seasonally adjusted annual rate. The multifamily sector, which includes apartment buildings and condos, decreased 0.8% to an annualized 522,000 pace.

Overall permits increased 0.7% to a 1.90 million unit annualized rate in January. Single-family permits increased 6.8% to a 1.21 million unit rate. Multifamily permits decreased 8.3% to an annualized 694,000 pace.



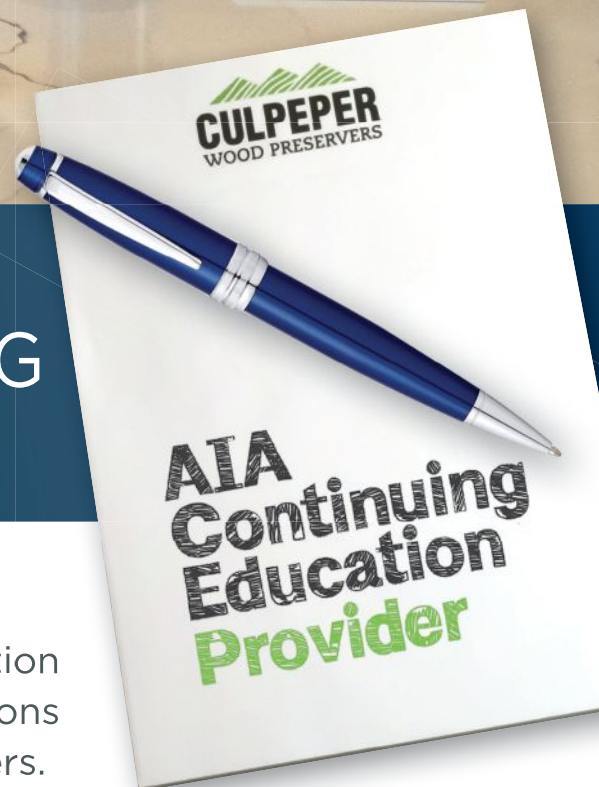
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UPCOMING EVENTS

MAR 10-11 EMERY JENSEN EDGE
Las Vegas, NV
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MAR 23-25 LMC ANNUAL MEETING
Tampa, FL | lmc.net

JUL 28-31 BUILDING MATERIAL
SUPPLIERS ASSOCIATION SUMMER
CONFERENCE
Myrtle Beach, SC | mybmsa.org

SEP 9-12 DO IT BEST FALL MARKET
Indianapolis, IN | doittestonline.com

OCT 12-14 LBM STRATEGIES
CONFERENCE
Denver, CO | lbmstrategies.com

NOV 8-10 ECI CONNECT 2022
Aurora, CO | ecisolutions.com

Send information about your company's events
to James@LBMJournal.com

EXISTING-HOME SALES JUMP IN JANUARY

Existing-home sales rose in January, making a notable move upward following a previous month where sales declined, according to the National Association of Realtors. On a month-over-month basis, each of the four major U.S. regions experienced an increase in sales in January. However, year-over-year, activity was mixed as two regions reported sagging sales, another watched sales increase and a fourth region remained flat.

Total existing-home sales, completed transactions that include single-family homes, townhomes, condominiums and co-ops, climbed 6.7% from December to a seasonally adjusted annual rate of 6.50 million in January. Year-over-year, sales fell 2.3% (6.65 million in January 2021).

"Buyers were likely anticipating further rate increases and locking-in at the low rates, and investors added to overall demand with all-cash offers," said Lawrence Yun, NAR's chief economist. "Consequently, housing prices continue to move solidly higher."

TOUGH CALL ANSWERS

ANSWERS TO OUR JANUARY TOUGH CALL
SURVEY:

THE CASE OF THE UNPROFITABLE LARGE CUSTOMER

YOUR REP (#1 IN SALES VOLUME) IS THREATENING TO LEAVE AND TAKE YOUR BIGGEST CUSTOMER (#1 IN SALES VOLUME) TO THE COMPETITION IF YOU INSIST ON PROFITABILITY. HERE'S HOW READERS WOULD HANDLE THIS TOUGH CALL.



SURVEY RESULTS FROM LBMJOURNAL.COM

3.1%

STAY THE COURSE. There are worse things than breaking even on a customer. Help Phil off the ledge, and back to the way things have always been. Share of market matters, too.

20%

CALL PHIL'S BLUFF. Explain that profitability is required for you to be in business, and to afford to pay Phil and his colleagues. You'd hate to see him go, but these changes will happen with or without him.

18.3%

SET BOUNDARIES. Set limits in your software system for daily deliveries, and also for margin exceptions. Phil won't like it, but he'll realize that you were serious, and he'll accept it eventually.

58.6%

PAY ON PROFITABILITY. Change the pay structure so that salespeople are paid based on the profitability of each customer. When Phil sees that low margins and high cost to serve hit him in the wallet, he'll change his ways.

NLBMDA RELEASES 2022 NATIONAL POLICY AGENDA

The National Lumber and Building Material Dealers Association (NLBMDA) has released its 2022 National Policy Agenda, a comprehensive advocacy agenda for 2022, which outlines the group's policy priorities for the lumber and building material industry. NLBMDA says its priority policies will boost the housing and construction industry and support continued job creation across the economy.

The 2022 NLBMDA National Policy Agenda is divided into nine different policy areas:

1. Housing & Construction
2. Tax & Economic Policy
3. Legal Reform & Consumer Protection
4. Workforce Policy
5. Environment, Health & Safety
6. Product Supply & Trade
7. Energy
8. Transportation
9. Fleet Safety



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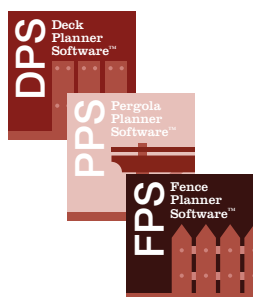
Deck Planner Software™



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Smart and easy outdoor project design software. Many homeowners see the backyard as an extension of their house. Now you can help them make the most of it. Outdoor Living software from Simpson Strong-Tie makes it easy to plan a deck, pergola or fence in minutes. Our suite of apps — Deck Planner Software™, Pergola Planner Software™ and Fence Planner Software™ — guide customers to design safe, strong and beautiful outdoor structures. Every app provides a materials list so your sales team can offer quotes on the spot. Tiered licensing programs are available, giving you greater brand visibility and website traffic, weekly usage reports with detailed lead information, and integrated SKUs and pricing.

To see a free demo and learn more, visit go.strongtie.com/outdoorliving or call (800) 999-5099.



LUMBER AND PAINT PRICES LEAD RISE IN JANUARY BUILDING MATERIALS COSTS

Construction input prices rose 3.5% in January compared to the previous month, according to an Associated Builders and Contractors analysis of the U.S. Bureau of Labor Statistics' Producer Price Index data. Nonresidential construction input prices increased 3.1% for the month.

Construction input prices are up 23.6% over the past 12 months, while nonresidential construction input prices rose 24.3%. Input prices for natural gas and unprocessed energy materials fell by 26.1% and 4.7%, respectively. Crude petroleum prices increased 15.5% in January. All three energy subcategories are up significantly on a year-over-year basis.

"While many economists expect inflation to moderate over the course of 2022, as of now, there is effectively no relief in sight for the nation's contractors," said ABC Chief Economist Anirban Basu. "Inflation remains hot, hot, hot, with estimates of price increases repeatedly coming in above consensus expectations. There was a chunky increase in materials prices in January despite lower natural gas prices. There was also a bit of price relief in metals like iron and steel. But that was more than offset by categories registering price increases, including softwood lumber, plumbing fixtures, concrete and crude petroleum.

"It may seem naive given current data readings, but the expectation remains that, at some point later this year, construction materials prices will moderate," said Basu. "As the pandemic fades, supply chains will become more orderly. There are already indications that shipping costs

are headed lower, and contractors remain optimistic, according to ABC's Construction Confidence Index."

The prices of goods used in residential construction ex-energy climbed 3.6% in January (not seasonally adjusted), according to the latest Producer Price Index (PPI) report released by the Bureau of Labor Statistics. The index was led higher by a 25.4% jump in softwood lumber prices and 9.0% price increases for indoor and outdoor paint.

The National Association of Home Builders points out that building materials prices increased 20.3%, year-over-year, and have risen 28.7% since January 2020. Over the past four months, the index has climbed 8.4%.

CUSTOM HOME BUILDING SEES SOLID GAIN IN 2021

National Association of Home Builders analysis of Census data shows that custom home building expanded by 10.8% in 2021 amid strong demand for move-up purchases given a rise in existing home equity.

There were 49,000 total custom building starts during the final quarter of 2021. This marks a 11.4% gain from the fourth quarter of 2020. Over the last four quarters, custom housing starts totaled 195,000 units, a 10.8% gain from 2020 (176,000).

The acceleration of custom home building has increased its market share after a period of decline. As measured on a one-year moving average, the market share of custom home building, in terms of total single-family starts, increased to 17.3%. This is down from a recent high of 31.5% set during the second quarter of 2009.

BY THE YARD NEWS FROM LUMBERYARDS AROUND THE COUNTRY

BRAD BALLARD NAMED PRESIDENT AT BRAND VAUGHAN

Brad Ballard has been named president of Brand Vaughan Lumber Company. He had previously served as chief financial officer. Ballard fills a role once held by Jon Vaughan prior to the company's acquisition by US LBM in July 2021. Vaughan has moved on to a US LBM role as regional vice president of the Southeast territory.

TAL HOLDINGS ACQUIRES MIDWAY BUILDING SUPPLY

TAL Holdings a growing group of family-owned building material centers in the Pacific Northwest, has reached an agreement in principle to acquire the three-store chain, Midway Building Supply, located in Tonasket, Oroville, and Republic, Washington.

PROMOTION AT CENTRAL VALLEY

Central Valley Builders Supply, an LBM Journal 100 building supply company, has announced the appointment of Bryan Moorehead, a 29-year operations and manufacturing veteran, as its new senior vice president of operations.

NATION'S BEST ACQUIRES WOODLAND BUILDING CENTER

Nation's Best has announced its latest acquisition with the addition of Woodland Building Center in Springerville, Arizona. First opened in 1985, Woodland Building Center is a full-service and locally-focused dealer of hardlines and lumber and building materials.

SPAHN & ROSE NAMES ERIC HEMPLER

EMPLOYEE OF THE YEAR

Spahn & Rose Lumber Co., a 2022 LBM Journal Dealer of the Year, has named Eric Hempler, assistant general manager of Dunn Lumber in Lake Geneva, Wisconsin, Employee of the Year for 2021. Hempler began working at Dunn Lumber in June 2019 as a receiving/inside sales representative, and in April 2020 he was promoted to assistant general manager.

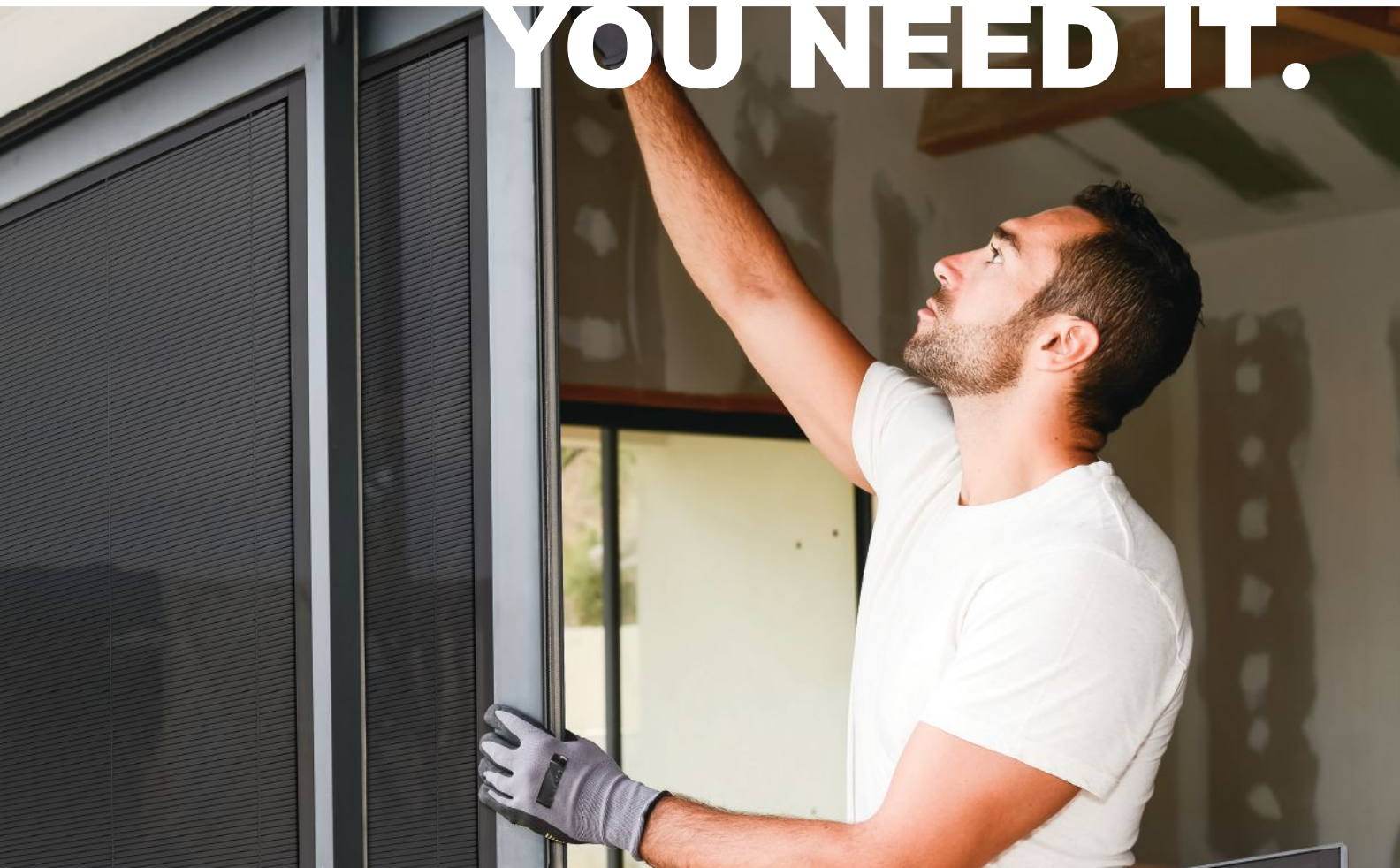
CNRG ACQUIRES HOMEFRONT LOCATIONS IN MISSISSIPPI

Brian Waldrop, Ron "Rut" Ussery, Richie Fulgham, and Fred Carl, Jr., owners of HomeFront Home Improvement Centers in Greenwood and Winona, Mississippi, have agreed to sell their business and operating assets to Central Network Retail Group, LLC (CNRG), a multi-format, multi-brand retailer currently operating 141 hardware stores, home centers and lumberyards in 16 states.

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Are you managing or firefighting?

BY BILL LEE

WHEN MY WORK TAKES ME to places where groups of salespeople have gathered for training, I'm often asked a question such as this: What single area of a contractor-oriented business do salespeople most frequently neglect? My answer: Marketing.

While there are notable exceptions, I believe that, for most salespeople, less time is spent on fine tuning the marketing process than any other area of the business.

My favorite definition of marketing is: *making sure your company is on customers' and prospects' minds when customers or prospects are ready to buy.* In most construction supply businesses, the outside sales force accounts for about 90% of the company's marketing effort. But while an aggressive sales team is essential, there is a lot more to marketing than making sales calls on customers and prospects.

Much of marketing has to do with competitive analysis; that is, researching your competitors to determine what your company must do to maintain or gain a competitive advantage. Without strategic advantages that have been identified, measured, and communicated to the sales force, most salespeople will rely too heavily on the competitiveness of their prices to meet their sales objectives. As a manager, how much of your personal time do you spend managing or analyzing your salespeople's and your company's marketing effectiveness?

We recommend that an executive—someone who is not personally accountable for day-to-day marketing activities—periodically scrutinize what's going on in the marketplace by asking these kinds of questions:

- Have our outside salespeople written a personal marketing plan for 2022 or are they flying by the seat of their pants?
- If I were my competitor, what tactics would I use to compete against my company? In what areas is my company most vulnerable to the competition?

- In what specific areas do we beat the pants off the competition? Do I have evidence to support these claims?
- Why do our customers do business with us? What do our customers say about us behind our backs?
- Are there qualified prospects we are overlooking?
- Are our salespeople talented enough to take our company to the next level?
- Is customer care a top priority at all levels in our company? Have our salespeople, yard personnel, drivers, credit personnel, etc., been trained in behaviors that make our customers feel special?
- How does our delivery fleet compare with that of our competitors?
- What have we done in the last six months that we need to tell our customers about? Have we added a new product line? Have any of our customer service policies changed?
- How many of our customers need to be pruned? Have we identified customers who are so time consuming that they are preventing our salespeople from having the time to grow their business?

Someone in your organization must make marketing a top priority if your company is going to have a fighting chance to optimize gross margins and grow sales without using price as a weapon. The answers to the above questions will tell you what you need to do—or continue doing—to set your company apart from the competition.

While 2022 is still relatively young and there's still some life left in this blow out housing market, take the time to draft a marketing plan for your sales year. What are some activities you will stop doing to give you the time you need to grow your sales and your customer base?

Most salespeople allow themselves to get into a rut, and a rut is a lot like a grave, only a grave is about six feet deeper than a rut. ■



Bill Lee is a respected sales and business consultant in the LBM industry. For more information, contact Bill at leeresourcesinc@gmail.com

LUMBER PROS:

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Review your sales like you review your golf game

BY RICK DAVIS

MY TEAMMATE AT WORK is not a golfer but has been privy to dozens of client conversations about golf. She accurately muses that nearly every amateur golfer claims to be “not very good at golf.” Their answers are the same whether they are at a 7 handicap or a 27. In other words, they all agree they could “be better.”

Conversely, in unscientific polls conducted at Building Leaders, 71% of salespeople self-reported to be above average or excellent at their job. [Less than 5% claim to be below average performers.] The discrepancy in self-evaluation begs the question: *Why are so many golfers seemingly willing to admit that their golf game could always improve, yet so many salespeople, many of them the same ones unsatisfied with their golf game, seemingly don't view their sales game the same way.* Shouldn't the default be to always assert that we could all “be better?”

The most obvious reason for the differences in self-evaluation is that amateurs are not expected to be good. Therefore, it's okay to admit you're not great at golf as a means of deflecting expectations and pressure in the event someone actually sees you golfing. A more important reason is that, at the end of every golf round, a player can point to one or two correctable mistakes that would have improved their score, which is exactly the point of this article.

Shouldn't sales performers also review each sales call and their recent performances to determine areas for improvement? Instead of lamenting the victimization they are feeling from fluctuating prices and surreal lead times, they should review their performance to see where they can improve. The real problem is that sales and profits are booming, so why take the time to reflect.

It is easy to become drunk on sales while we're in the midst of a booming housing market with escalating prices and product scarcity. This surge in sales and profits is a byproduct, and dare I say an accident, of market conditions.

It won't always be like this and now is a good time to practice the selling skills that matter regardless of market conditions.

The salespeople who succeed on purpose in the long run will leverage the current climate to outshine their competition. They help builders with scheduling assistance and suggestions on coping with price fluctuations in conversations with the builders' customers. Right now, it's easy to avoid the fundamentals of prospecting, managing expectations, and intentional sales growth, but this avoidance comes at a great long-term cost.

The moment prospecting becomes urgent, it's already too late. Therefore, set the stage for a successful long-term future, prospect aggressively *now*. The best time to cull your customer list is when opportunities abound. Therefore, now is the time to replace difficult, unprofitable customers with better ones. Success is not about eventually getting products to the jobsite, but instead managing expectations to deliver as promised. Therefore, help your clients navigate the supply chain in these times and it will be easy in normal times.

Fear is not a particularly good motivating technique for leaders, but it might be a valuable, subtle trait for successful performers. Fear is that internal motivator that tells you not to fall behind by consistently finding ways to improve your performance. As ridiculous as it may sound, it may be okay to be “not very good” at sales and accept that a little fear or doubt might just be the thing that pushes you to constantly improve your performance.

If you don't improve in a changing world, sooner or later the results will catch up. Being “not very good” is merely a statement that you could *be better*, and that's a good thing! If, on the other hand, you're standing still and not improving, you're sure to get passed by. The constant pursuit to be better is the difference between having a job or building a career. ■



Rick Davis, president of Building Leaders, is a premier sales trainer in the building materials industry. His latest book, *Sales Economics: The Science of Selling*, is now available at buildingleaders.com. Rick can be reached at rickdavis@buildingleaders.com

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Keep things moving.

Simple strategies for hiring in a candidate-short market

BY RIKKA BRANDON

AS THE LABOR crunch and hiring challenges persist, it's not just the big things—salary, benefits, culture, etc.—that can make a difference in how successfully you're filling open positions. Small mistakes can delay or even derail good hires and set your progress back.

Here are a few strategies to consider in the current conditions in which the number of job openings far surpasses the number of available workers.

Don't wait: Even if you're not quite ready to hire, get started now. On average, it takes about six weeks to hire, and that's in a normal market, so plan accordingly.

Time kills deals: Job seekers have a lot of opportunities to consider, so if you're moving too slowly, they'll leave you behind. Now is not the time to have a week's gap between interview stages. Similarly, if your hiring process includes four to five steps, that's too many at this point for anything but an executive-level hire.

This is true even if you're working with a passive candidate, one that you recruited when they weren't actively looking. A psychological switch flips—now that they've become comfortable with leaving their current position, they might start to explore what else is out there if you take too long to hire them.

Try harder: I'll be blunt: You're going to have to work harder to recruit. Post the job in multiple places. Go beyond the post-and-pray mindset and focus on direct recruiting. Practice intentional networking. Search LinkedIn for candidates with the right experience and seek them out through mutual connections.

Don't neglect your talent brand: In my last column, I introduced the idea of your "Talent Brand," the reputation your company has in the market that helps job seekers understand why they want to work for you and how they will fit in. Invest in nurturing your talent brand or it will form on its own. Review and address Glassdoor reviews, verify that your "tell" matches your "sell," and apply your core values.

Communicate to build rapport: Don't be afraid to ask the hard questions to make sure you and the candidate are on the same page. This includes inquiring if they are close to other offers. Be honest. "I ask because we'd like to make sure we compete." You want to make sure you have time to get through the process and that the expectations of both parties are aligned early on.

Take care of your current team: Employees are empowered right now. They are leaving jobs they don't enjoy and, in particular, managers who don't treat them well. Check in with your team through engagement surveys and conversation—and then take action to remedy your weak spots, including addressing work culture issues or leadership lags. It also might mean adjusting your compensation. If you are the low payer in your market, a competitor with similar work roles may use that information to recruit your team members, who might then relay the news to their former co-workers.

And don't neglect your benefits and perks to make sure they're not out of date. For example, some yards still don't offer hourly workers PTO in their first year. That's just not acceptable today, worker shortage or not. Benefits that cost your employees a lot of out of pocket expense also are risky.

At the same time, make sure your employees understand the value of the benefits you provide. What does the value of their insurance and other benefits add to their hourly rate? That's an important consideration if an employee is comparing their salary to those at the yard down the road, not fully understanding that their own pay is actually higher when the cost of benefits is included.

Similarly, be sure to remind the team about benefits they may have forgotten about, such as an Employee Assistance Program.

In an employee's job market, it's crucial that companies remain proactive and vigilant. Make the effort to recruit, take the time to analyze your current offerings, and focus on selling what makes working there special for both current and prospective employees. ■



Rikka Brandon is a leading recruiter for the LBM industry. She's the CEO of BuildingGurus.com and founder of RecruitRetainRock.com where she helps business leaders solve their recruiting and retention challenges.

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The best advice I ever received

BY RUSS KATHREIN

AS YOU ADVANCE through your career, you will have people give you feedback and guidance on how you can be better at your job. Most often this occurs in the form of an annual review by your boss. Some reviews are perfunctory and just “check the boxes,” but if you are lucky your boss will take the time to give you real feedback with the hope it will help you improve your performance or grow as a person.

I think we all went into our first review eager to hear that we did something right. But chances are when we heard the areas that we needed to improve, any positive feedback was immediately forgotten. I know that was how I treated my first review. I was devastated that I didn’t get a positive review. The funny thing is that I came across the written review years later. Not only was it a very positive review, but it was pretty much exactly what I did well and where I needed to improve. The problem was that the language used by my supervisor, who was young and new to management, was too formal and came across as corporate-speak, rather than as caring language that wanted to see me succeed.

Fast forward a number of years, and I am working for the president of a company and I am getting my first review as one of his vice presidents. I feel good until he starts the review by asking me why I think I should speak in our executive meetings. He was a real old school kind of manager who informed me that I was too new to express my views and that I needed to just be quiet and listen for a few years and let the other more experienced executives steer the conversation. I was stunned by what seemed to me like antiquated thinking and out of touch advice. Needless to say, when the opportunity came not long afterwards to work for a different leader, I jumped at the chance.

A year later when it was time for me to get reviewed, my new president had me do a 360-degree assessment where 30 of my subordinates, immediate peers, and other coworkers assessed me on the same criteria I assessed myself. The part that provided me the clearest feedback came from the comments that were shared with me. One comment in particular still rings in my ear. It was from one of my peers who said, “We know you are smart. You don’t have to keep trying to prove it.” Little did I know, but this advice would set me in the right frame of mind when my boss sat down with me and gave me my formal review.

When he started the review, he said, “You know, you have everything you need to move up to the next level and run your own division or company. But you are just about six degrees off.” He then gave me the best advice I ever received. He said, “When you are with a group of people, instead of being the first one to talk or throw out an idea, I want you to be the last one to talk.”

All of his advice was presented in an “I want you to succeed” way, so I took it to heart and immediately began to implement it. And you know what? It worked! My relationships with my peers improved. I was surprised at how often what I thought was a brilliant and unique idea or thought was also the same idea that many of the talented people at the table also had. However, occasionally, we would get to the end of the conversation, and no one had ventured anything close to what I was thinking. So, I would offer it up, and usually helped in the discussion. Later, when I looked back at the contrasting reviews from my two past presidents, I realized they were both trying to tell me the same thing. One just did it in a more positive and constructive way that resonated with me. ■



Russ Kathrein is with the LBM Division of Do it Best Corp. based in Fort Wayne, Indiana.

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Credit, sales, and the balance of the universe

BY THEA DUDLEY

Dear Thea,
One of my sales reps recently argued with me that he should be able to release orders and have override ability on his accounts that go on hold or do not have enough credit. I am new to credit, but that isn't a thing, is it? I don't think it is, but he said it with such conviction that I am second guessing myself. Help!

— Second guessing in Saginaw

Dear Second,
 Let's talk about nature a little bit. There is a certain equilibrium in nature that keeps everything in balance and stable. Any slight change in certain parameters will be corrected by a negative reaction that will eventually bring the changed parameter back to the original position of balance. That's how it is with sales and credit. There is a certain balance that keeps everything stable. Any slight change (like sales governing accounts), and the balance of credit and sales shifts—usually not in a good way.

To be fair, I can see how, in theory, some sales reps could think they would be diligent, and that watching over their own accounts, keeping track of lien rights, past due balances, over-credit limits, and other challenges seems plausible. Okay, I could not even write that without laughing. Just think about it: if sales is commission-based, wouldn't it make sense that they would want the account to pay on time? They would want to know if we are about to lose money. They would want to keep the account on track with products moving so the beautiful equilibrium remains in balance! What if they are engaged but don't want to be the tough love parent? What if they aren't commission-based? What then? Money is the great equalizer.

Sales in charge of a credit function would tip the balance of the cashflow equation into a negative reaction. The delicate balance is kept when everyone works together to ensure the objective: get the sale, support the customer, get paid as agreed. Nature remains in balance.

I find it charming that your sales rep believes that he should have override and release capabilities. I believe I should never have to work out, I should sleep all day, and have unlimited chocolate and wine with no consequences. But, alas, nature does not work that way.

What I do hear loud and clear is your sales rep does not like your decisions or does not like having to go to another person in the company to ask for collaboration, especially if that someone has an opposing point of view. Let's get something straight right now. The customer is not "his," the customer is "ours," and it takes a village or, in this case, the entire company to manage them. From obtaining the sale, inputting the order, credit approving and releasing the order, warehouse pulling and loading, drivers delivering, credit collecting, and cash app applying the funds, everyone in the company has a role in a customer's success and is equally as important. Some, not all, salespeople get a little territorial about the customer but—be clear on this—*everyone* has ownership.

In short:

- No. It is not a thing.
- Sales should never have the ability to increase a customer's credit line, override the limit, or release orders on past-due accounts.

Just because he believes his own hype doesn't mean you should. The equilibrium of the universe depends on you. ■



With more than 30 years of credit management experience in the LBM industry, Thea Dudley consults with companies on a wide range of credit and financial management issues. Contact Thea at theadudley@charter.net

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Three types of acquirers

BY JOHN WAGNER

THERE ARE THREE general classes of buyers that might acquire your company: 1) A Strategic Buyer (strategic), 2) a pure Private Equity Group (PEG), 3) a Merchant's Bank.

The **strategic** is the easiest to describe. That is the lumber dealer across town or across the state who wants to acquire a competitor. Typically, the owner of Lumber Dealer A will call the owner of Lumber Dealer B and ask if they are interested in talking. If so, Dealer A will make an offer. The structure of strategic acquisitions are typically highly leveraged, since Dealer A wants to risk as little cash as possible. Dealer A's offer will often be a blend of cash, and these two additional deal elements: 1) Dealer A will pay Dealer B using future proceeds of the acquired company, and 2) Dealer A will want a seller's note where the acquired company will lend the acquirer funds to buy them. (More on seller notes below.) Dealer A, the acquirer, might even go to the bank to borrow some of the money required on their own.

A pure **PEG** is a private equity group with ready access to equity funding, often referred to as, "dry powder". They have gone out to debt markets ahead of your acquisition, and they have senior debt/subordinated debt commitments and cash in-hand (equity) before making an offer. Let's say that a PEG offers \$10 million, all cash, for your company. Even with \$10 million on hand, a PEG will go to debt markets and fund around 45% of that \$10 million in senior and subordinate debt, while coming up with around 55% of that total on their own with committed equity from their limited partners. The debt payments for the 45% are hung on the NewCo created by the acquisition.

A PEG *may* also leverage the seller with earn-outs and seller's notes, but for the *cash portion* of the deal (even with some of it borrowed) the PEG is very good for the money, and a PEG deal often moves quickly to closing.

A **Merchant's Bank** is a PEG hybrid. They acquire companies as a PEG does, but they fund the deals in a different manner. When a Merchant's Bank makes an offer to acquire a company, it does not necessarily have the money for the acquisition as ready funds, a.k.a. *dry powder*. A Merchant's Bank *may* put in some of their own cash (typically supplied by their members, who are called *limited partners*), but they typically seek financing on a deal-by-deal basis. Or, even more likely—to get the best bank rates—a Merchant's Bank will wrap up several acquisitions into one financing bank package. Because of these time-consuming machinations, a Merchant's Bank deal very often takes longer to get closed than one with a PEG that simply writes a check or has bank credit arranged ahead of time. A Merchant's Bank may also leverage you with earn-outs and seller's notes.

Today, seller's notes in all three types of acquirers are typically 7% interest, for five years, with the balloon to be paid on the fifth anniversary. The reason the interest rate is so attractive is because these notes are largely unsecured, or, if secured, they are third in line behind the bank. If you are resistant to a pure-interest seller's note (until the balloon is paid), you can, through your investment banker, request a blend of principal and interest, where the principal starts to amortize down starting in, say, the third year of the loan.

In declining order of preference for a type of acquirer, rated on how easily and quickly a deal can get done: Go with a pure PEG if you have a choice. They have the cash portion of the acquisition funds ready. Next choice: a Merchant's Bank, the drawback being the time it takes to do the deal or combine yours with others in a financing package. Last choice: Strategics often structure highly leveraged deals, but since their acquisition expertise may not be super refined, these deals often take the longest and involve the most seller leverage. ■



John Wagner is a managing director at 1stWest Mergers & Acquisitions, which offers a specialty practice in the LBM sector. Reach John at j.wagner@1stwestma.com

Pricing 101: Where do you draw the line?

BY SHANE SOULE

PRICING HAS BECOME a hot topic in our industry as automation through ERP systems becomes more advanced and easier to manage. That said, it's still much too common to send out flat margins per product type, or worse yet, leave pricing completely at the discretion and whim of the sales team. And yet it's not unusual to see companies with little-to-no process around pricing learn how to incorporate one and enjoy the addition of points straight to the bottom line. Over the next couple months, we'll cover different strategies and processes to help you start or improve your systems around pricing.

The best place to begin to examine pricing is to look back at how we created an extended look at cost-based accounting. Ask the same question. What is "cost?" Many see cost as the average price paid for the inventory, sometimes including any additional freight needed to get it there. Of course, I believe it is much more than that.

If you still haven't started an activity-based costing system, start down this road by adding those miscellaneous inventory costs that we all incur. Every company in our industry experiences "inventory shrink." This is the cost of doing business that is easily passed on to the customer for managing the material in your yard.

Consider that companies often make strategic purchases in trade for a lower cost from the supplier for the product. Most companies pass this savings on to their customers, experiencing no true profit gains, while simultaneously incurring an added inventory carrying cost due to those inefficient inventory turns.

Here are some simple suggestions:

1. Add an additional cost to every stock item that is brought in

- Don't go less than 2%.
- This can be automated in your ERP system.
- You can also choose where the added cost goes on your income statement.

2. Keep the profit on your "strategic buys"

- Set the internal cost at the price you normally would pay and move the investment buy into additional cost at the time of creating the purchase order.

- You can put this in the same income statement, or create a completely different income statement to use for different purchasing and financing tracking.

Some may say this is merely inflating the cost and moving money from one hand to the other, but I disagree. The key to success with this strategy is to keep it internal on the leadership team. If the sales teams know this is happening, they will adjust their "margin logic." If your sales reps have any pricing/margin controls, they will default to a margin percentage that they feel comfortable with. If their preference is 20% on studs and OSB, then they will mark up the inflated cost in the same way as the average cost and create a higher sell quote to their customers, all while selling with the same confidence as before. However, if you asked them to sell studs and OSB at 24%, they begin to think the price is too high, and that affects their confidence, customer approach, and negotiations. Building it into the cost means there are fewer arguments, fewer anxieties, unaffected sales, and ultimately greater margins.

Some pushbacks on this cost capturing model stem from believing it's dishonest to keep this kind of information from the sales reps and the thinking that it keeps them from earning rightful commissions. But do these same companies charge their salespeople each time there is inventory shrink? Do they ask the sales team to help pay for the additional inventory carrying costs that are paid by the company? The answer is, unequivocally, no. These are true expenses that should be reflected in costs and ultimately paid for by our customers.

When evaluating your pricing strategy, start with internally defining, "What is cost?" Margin is the percentage added to cost to get your selling price. Avoid selling yourself short before the first percentage point is even added. This simple correction will forward at least 50% of whatever you add to the inventory values directly to the bottom line. Start with cost, end with profit. That's what works. ■



Shane Soule consults with LBM and component companies to increase productivity and profits, and improve the experience for both customers and team members. Reach Shane at shane@shanesoule.com

Q: There has been a lot of technology released in the past few years that claims to make life easier for LBM dealers. Exactly how does Buildxact fit in the mix of new tech tools that dealers should consider?

A: Technology for dealers is moving from automating back-office functions like accounting and inventory control to benefiting the daily customer interactions dealers have with their customers. With Buildxact, dealers can free account managers from traditional manual tasks, like logging orders, because those tasks can now be done automatically.

Dealers using Buildxact are able to free up huge amounts of time, allowing them to redesign their sales operations to put account managers in a position to build more consultative relationships with customers. With the additional time, they can focus on collaborating, reviewing plans and offering advice. Plus, they also have the time to find new customers to grow the business.

Q: Many LBM dealers are serving customers from both ends of the technology spectrum, from early adapters to pencil-and-paper holdouts. How does Buildxact improve efficiencies in the dealer/builder relationship?

A: Buildxact's features help dealers in multiple ways. Whether it's helping builders prepare takeoffs and quotes or submit orders, the software streamlines the work. Builders using Buildxact can create takeoffs 80% faster and then quickly create and send professional looking quotes back to the customer.

In instances where builders and dealers are using Buildxact to collaborate, builders begin quoting more work, winning more jobs, and ordering more supplies from the dealer. In one case, a dealer saw more than one in three builders order new categories and saw overall order size increase by 49%. Plus, jobs run smoother because change orders are automated, timelines automatically adjusted and notifications automatically sent to all the stakeholders.

Q: Inventory and pricing are huge challenges right now for small and large LBM dealers. How does Buildxact simplify the process of communicating inventory levels and pricing updates to customers?

A: Buildxact allows dealers to aggregate data across their entire customer base to better understand the needs of the builders and remodelers using Buildxact. Dealers can go beyond the SKUs that builders are purchasing to understand which they are not. This kind of transparency can lead to better inventory planning, but also dealers can have more effective conversations with their customers to better understand their purchasing decisions, leading to opportunities to win back sales they might be losing to competitors.



Jennifer Castenson is vice president of ambassador and industry partner programs at Buildxact. In this role, she provides leadership and collaboration across the various verticals involved in custom homebuilding and remodeling and the industry stakeholders involved to guide relevant product solutions.

Q: As lumberyards across the country face labor challenges, how does Buildxact help companies operate with lean teams at every level from yard to management?

A: Buildxact creates a network effect between the dealer and builder that benefits all phases of the dealer's enterprise. More accurate quotes from the builder mean less errors to process on the dealer side. Orders submitted within Buildxact can free the dealer sales team from administrative tasks so that they can spend more time with the customer. Greater collaboration leads to ongoing relationships with existing customers, and these builders, in turn, grow their relationship with their dealer. The speed and transparency of the process enabled by Buildxact means more quotes can go out and more quotes can be won, growing business for both the dealer and its customers.

Q: Epicor recently announced that it has integrated Buildxact into its BisTrack platform. How will this partnership streamline operations for BisTrack users?

A: Buildxact and Epicor BisTrack have extended the relationship between the dealer and the builder. Builders can now connect to the dealer at any time of the day, even late at night or on the weekend to get pricing and submit orders directly into the dealer's ERP. This connection allows the dealer to serve the customer faster, and with the most up-to-date product information, so the builder can move faster to deliver projects on time. By digitizing this relationship between the two, manual pricing is removed, which eliminates a lot of the errors that can creep into orders and impact the builder's profit margins. ■



LBM CENTURY CLUB HONORS 100-YEAR-OLD BUSINESSES

The LBM Century Club was founded on the simple belief that companies that have been around for 100 years deserve to be recognized. Launched in 2016, the LBM Century Club has grown to 171 members, with more coming in each month. In all, the companies have provided 21,501 years of combined service to their communities.

By no means does the LBM Journal's Century Club list include every 100-year-old company... at least not yet. That's where you come in. Do you work for, or know of a lumberyard or building materials retailer that is 100 or more years old? Send them our way, so that we can give them the recognition they deserve. Century Club members receive a certificate for their store, window decals for their front doors, free admission to the LBM Strategies Conference where they are guests of honor at a Century Club induction ceremony, as well as recognition in their local media, all free of charge. Nomination is easy! Just visit LBMJournal.com/nominate and answer a few questions. We'll take it from there. For a complete listing of LBM Century Club members, visit lbmjournal.com/lbm-century-club.

THE MOST RECENT INDUCTEES INTO THIS EXCLUSIVE CLUB INCLUDE:

LEACHMAN LUMBER COMPANY Des Moines, IA	est. 1921	ACME LUMBER & BUILDING MATERIALS Chicago, IL	est. 1903
HPM BUILDING SUPPLY Hilo, HI	est. 1921	BOONE KENTON LUMBER CO. Erlanger, KY	est. 1914
PRESTON FEATHER BUILDING CENTERS Petoskey, MI	est. 1915	NORTHERN OHIO LUMBER & TIMBER Cleveland, OH	est. 1864
NATIONAL LUMBER CO. Baltimore, MD	est. 1919	BRUCE HALL CORP. Cooperstown, NY	est. 1921
KEIM HOME CENTER Charm, OH	est. 1911	HILLS FLAT LUMBER CO. Grass Valley, CA	est. 1921

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An Oklahoma lumber dealer contacted LBM Journal recently, looking for guidance from members of the LBM community as they work to establish and define their company's culture. As we do each issue, we shared the concern with our readers and asked for input. Thanks to the more than 200 readers who responded to this month's question about...

ESTABLISHING COMPANY CULTURE

BY LBM JOURNAL READERS

First, we asked readers to weigh in on whether they feel as though their company has a well-established company culture. Overwhelmingly, LBM Journal readers as a whole said yes—to the tune of **89.6%**. However, if we split out just the lumberyards, building material dealers, and specialty dealers and distributors, the positive response grew to **91.9%**. Of the wholesale distributors, manufacturers, and service providers surveyed, the **81.1%** said that their business has a well-established company culture.

Next, we asked respondents to list the top three words that describe their company's culture. Overall, three words (or variations thereof) described LBM companies: **honesty**, **integrity**, and **family**. The word cloud shown on the opposite page represents 100 of the top words mentioned in the responses. The words with the most mentions are the largest.

Finally, we asked readers to weigh in on the Oklahoma dealer's question on establishing a company culture: **"We are wrestling with establishing a solid company culture (core values, mission statement, strategic plan, etc.) after being in business for 70 years. Our employees are not all on the same page, and we know that a strong, well-defined company culture is critical for the long-term health of our company. How do others define and establish their company culture?"**

RESPONSES FROM LUMBERYARDS, BUILDING MATERIAL DEALERS, AND SPECIALTY DEALERS/DISTRIBUTORS:

"Establish real relationships with each of your employees. By spending real time with your team, they will understand what your culture is. Employees should feel the management team are their coworkers."

"After Zuern Building Products' presentation at the LBM Strategies Conference, we made it a priority to put more focus on defining our company culture as well training our team. This is an easier task with our newbies. Unfortunately, the same cannot be said for all of our seasoned veterans."

"Put company and employees first, so that they can serve the customers the best way possible. Listen to the employees who have hands-on experience with equipment needs and not what management thinks they need. Be positive. Offer the best pay and benefits for a job well done and you will attract the best."

"Often the employee's age is what separates them. There are different generational understandings of what the responsibility to the 'job' might be...this is the source of a lot of friction."

"I can't help much. We've been here 47 years and have the same problem."

"It is always a work in progress. Remember to be flexible as all are not the same or work the same."

"Culture is not something you can establish with policy alone; it's something that is lived by employees and experienced by customers every day. My simple 30-second advice is this: top-down commitment to caring for each other, professionalism (know your job and be a resource for your customers), and be diligent in all you do."

"You can have all the written mission statements and strategic plans you want, but it all comes down to your actions. You must show your employees that they are valued for what they do for the company and your customers, and then reward them accordingly."

"The employees define who we are. It's constantly shifting and changing as new hires change who we are."

"Strong communication and operational transparency."

"You're asking who we are, where are we going, and how do we get there. Be authentic and vulnerable in the executive team when answering these questions. Culture comes from the heart and must be simple. Lastly, the pyramid is flipped with the CEO/president at the bottom humbly working the culture up and through the organization. When the leader explains his/her heart, people rally around it or move on...both are wins."

"We struggle with that also. Management is the key, but they need to accept empowering everyone in the company. Too many management teams or owners themselves want to be 'The Guy!' Great leadership leads by servicing their employees, who in turn will service the industry—customers and vendors alike. Most employees want to participate in creating and doing the right things. If they don't, then they shouldn't be there."

"We are an ESOP—employee owned. It starts at the top, when your employees see that you are looking out for their best interests, they become engaged. Make it fun when possible. That way it is not a job." ►►

"Choose two or three words as themes to share, focus on, train, and challenge others to use."

"Culture starts with leadership. It's one thing to publish core values, mission statements and strategic plans, and it's something completely different to put them in action and live them out. This is difficult, but it starts at the top and leadership has to own (and model) the culture they want the company to live within."

"It needs to start from the top down. Your employees need to see it and feel it every day. Your leadership group needs to be all swimming in the same direction. You may all not agree on everything, but you must all work together for one common goal: the success of the company. Don't ever hire someone who doesn't fit your beliefs and culture!"

"Working to inspire your employees to achieve a specific mission can be difficult. This should start with a collective mission statement. The best way to create such an inclusive direction is to have multiple employees invested, ranging from the most senior to the newest."

"Set up a company outing and establish your criteria with employees at that time. You spend more time at work with them than your family. Empower them!"

"Culture starts at the top. The owners need to establish what they want the company to stand for and then communicate throughout."

"Discuss as an owner with the core team leaders to determine what your goals are and how to achieve them, and which values you have to help achieve these goals."

"Stop trying to work so hard on a mission statement, and start managing by walking around to see your people. Let your people get to know who you are as a leader. They will see what is important to you and will start to uphold the values you exhibit."

"The leaders of the company have to generate the culture around the team. Have your values and mission statement in every place in the facility that the team will see. Include the team in the building of the culture. The team also has to hold everyone accountable to the culture that you're building."

"You must first begin by truly identifying and establishing the company's core values, mission statement, and strategic planning. Then you must vocalize it to the entire team and continuously implement reinforcement of these essential managing points."

"It starts with leadership at the top. Provide clear objectives, goals, and values that people understand, trust, and can follow."

"Take an assessment of your current culture from your employees, because what leadership perceives may be entirely different than what the employees see. Then, form a clear vision of where you'd like to be. Communicate that new vision every chance you get. Make decisions with that vision in mind and hire people who align more with where you'd like your culture to be rather than where you are. Culture changes take a considerable amount of time to develop so don't look at it as a project—look at culture as a guiding force for the future."

"Ask your team members to describe what they think the culture is now, then tell them what you want your culture to be and make a plan how to get there."

"Involve them in planning, decision making, and include the key people in the success of the yard either by a bonus plan, or recognition. Review what you're trying to do with the whole yard. Show them a P&L, and how to read one." ►►

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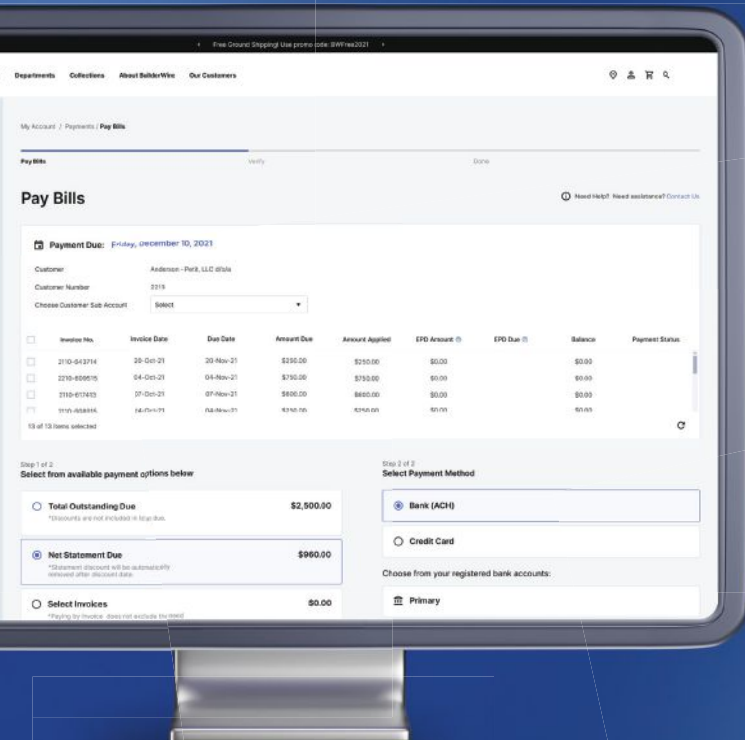
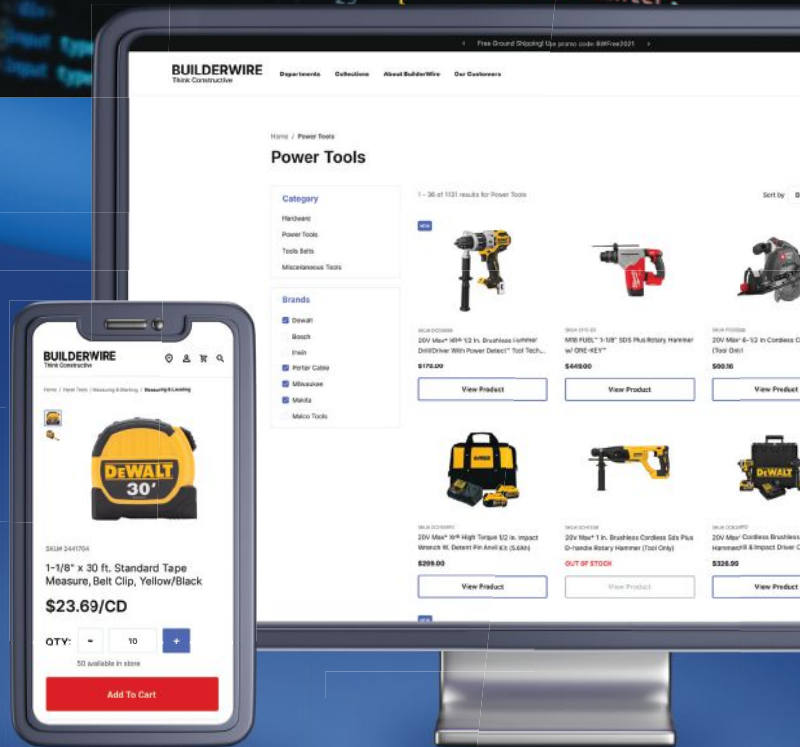
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"You have a culture whether you think you do or not. In 70 years it may have changed several times, but it's there. Trying to take control and pull things together is a new change, not an establishment of something that never existed. Look for existing aspects of the culture that you like and build off those. If there are aspects you want to leave behind, that will take education, involvement, and perhaps a personal commitment to make sure those unwanted traits disappear."

"Create a vision of what you want your company to look like. For example, I want my company to have character that a customer can feel when they first walk in the door. Let all your employees know about the vision and discuss ways to bring it about."

"Education, training, leadership, management, and constant oversight."

"It often begins with a process called 'values blueprinting,' which involves a candid conversation with leaders from across the organization. Once the culture is framed, an organization may establish a values committee that has a direct link to leadership. This group makes sure the desired culture is alive and well."

"We encourage all employees to work as a team. Incentives are given when a group works together to make a sale or solve a customer's problem. Even our yard employees have incentives for working together to avoid shrinkage in product by checking each other on loading customers and deliveries."

"You must first start with getting your Board of Directors, executive management, and store management all on the same page so that they can sell it to the others."

"Clearly define the message you wish for your customers to hear and believe about your company. Evaluate each team member and make sure they are capable and willing to deliver that message. Build a best place to work in your community."

"As an owner, you have to walk in their shoes, get into the trenches with them. Accommodate their needs, make them important. Then lead by example."

"2022 marks 97 years for my family-owned business! Engagement. Education. Change. Constant communication. Owners/ managers working closely with all members of our team—from sales, to yard staff, to drivers. Transparency in what we are doing and why. Let your team know that you appreciate and value the role they play. I like to compare my team to football...everyone on needs to know the plays to be effective and win the game. Lastly, invest in your company. Be current with technology and equipment."

"The process must be well thought out and carefully and slowly implemented. It took us roughly three years to make needed changes and people often self-select out if the new, better culture is not a fit for them."

"Company standards need to be adhered to and employees need to appreciate the employer's values."

"Our industry, more than most, will always rely on people as the cornerstone. Whether it's dealing with vendors, customers, or coworkers, the quality of your relationships will determine the strength and success of the company. Employ the Golden Rule, honesty, and a strong work ethic. If not, you're setting yourself up for failure. Bring others into the company who consist of this fabric and your company will be a leader and one to emulate."

"Lots of meetings led by ownership who have to lead, own problems, and bring in help if needed. Get ownership on same page first!"

"Integrity, trust, and transparency in the direction and goals of a company as a whole. Everybody is important to the overall success of any company. People need to understand and believe in that. Otherwise, chips are flying but no wood is being cut."

"Depending on the size of your company, you could ask that all employees, or at least managers, write down their thoughts and ideas. Also, you could ask your higher profile/higher volume customers how they view your company and why they use you. After you have done these things, you and your fellow executives can sit down and discuss your findings and transform those into your company's culture."

"We do not have a formal process. We strongly believe that all of our actions support our strong culture. Those actions begin the first minute a new team member starts employment. We focus our efforts on reinforcing our family feel, not just to the team members but also our customers."

"Involve employees at all levels of the operation and over-communicate to receive buy-in from all your employees."

"Have your employees learn and memorize mission statements. Have them on display and start your meetings off with them. Get buy-in from your employees on what has kept you in business for this long."

"Leadership must walk the walk. I my experience culture is driven by management. If you do not have strong leaders willing to lead then nothing will change."

"Culture is modeled and shaped from the top down. Reducing culture to defining statements is an iterative process that never ends, only continually refines."

"Providing effective and open communication with your team. Listen to their ideas and give them room to explore and implement those ideas. While talking about culture is important, it's the actions that will actually create it. Pizza parties only go so far. Things like ease of time off, flexibility with requests, clothing giveaways, and willingness to actually work alongside your employees and not always direct from above. Those are things that will help create a culture your team wants to be a part of."

"Ours pretty much fell into place when we practiced the Golden Rule."

"Focus on the why. Why does that mission statement apply? Why does the business exist? Why do employees and customers alike spend their time and money with this business instead of others? At our monthly safety meetings, we ensure that any event highlighting our core values is mentioned. This allows employees to see our mission statement in daily practice instead of just on a piece of paper."

"It is stated and established from day one of employment and constantly reinforced that our quality of service comes first."

"It starts by defining what it is that you want, modeling those behaviors, and addressing any behaviors that are not on point."

"Our very general view is that if, at the executive level, we focus on making sure our employees are happy, challenged, and well paid for what they do, our company's performance metrics will take care of themselves."

RESPONSES FROM WHOLESALE DISTRIBUTORS, MANUFACTURERS, AND SERVICE PROVIDERS:

"I would enlist the services of a third party that specializes in helping companies develop a strategic plan and mission statement."

"I think all businesses are dealing with same issues as younger employees begin to take management roles and view the company different than long-timers."

"Through example, meetings, discussions, one-on-one coaching."

"We are working on this constantly, but as a nonprofit the one thing we all share is a desire to serve our members. Even when we disagree about how, it is nice to have that one value to come back to."

"Your people always come first. Without your team, you are not able to deliver value into the channel. Establish your 'why'—Why does your business exist? Why do you come to work each day? Who do you serve? How do you add value for your customer? Once you establish your 'why', then you can begin to focus on setting the 'Where are we going.' Once you have a vision—short term, mid-term, and long-term, and you have your 'why we exist,' your people will be able to follow." ►►



LBM JOURNAL PODCASTS



LBM SALES

HOSTED BY **RICK DAVIS**

Don't miss the LBM Journal Sales podcast, hosted by Rick Davis, the premier sales trainer and consultant in the construction supply industry. In each episode, Rick and guests explore what it takes to genuinely succeed—not just in sales and business, but in life.

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"The example is set by the owners. The values, decisions, and methods of the owners will direct the company culture."

"Measurable business goals, i.e., compounded earnings growth objectives with a prioritized list of strategies to achieve these goals. Agreed-to personal growth goals for all company personnel."

"I left a company recently that worked hard to develop their company culture but once I did not feel the ownership believed in the company culture, or me, I left. You must hold meetings with different people in different positions so that everyone has the chance and input to come up with company culture. I recently joined a company where the company culture comes down to basic core things, 'respect (our company, employees, and each other), community (give back to your community and to your employees), commitment (to your company, coworkers, and customers), opportunity (everyone has opportunity to contribute and grow the business), reputation (true to core values), improvement (learn from mistakes), caring for others (always at the core), and it's our company (everyone takes ownership) not just the owners.' Taking the time to know what your company culture is will help you to always win when others count you out."

"How often do you survey your team? Do you know what they value, what concerns them, and what they think is needed? Start there."

"We are a very small company, but I admire larger firms that train their employees, hire the best, and pay them for performance better than competitors. It may cost more in time and money, but hiring and retraining costs more."

"It is called servant leadership. Employees need to know that each of them are valued members of a team."

"Establish a meeting to ensure all employees hear the same message at the same time to avoid confusion or miscommunication. Express the importance of having a great company culture that will overall help everyone continue to do their jobs to the best of their ability. The team players who are not on board may need to be replaced."

"From inception our company has grounded its business practices in treating its customers, suppliers, and employees with honesty and dignity. Our goals are to be a respected and valued business partner, and a good place to work."

"Leadership starts at the top. Is that vision given to supervisors and management team? Are the owners engaging the employees?"

"Culture is established with consistency. Consistency of purpose, consistency of long-term goals, consistency of management. Consistency leads to trust."

"Determine core values for the site and the company as a whole. Live by those values and start to evaluate employees based on whether they possess those values."

"No young professional is looking to work with old-style leadership— youth, optimism, and passion will drive a better culture."

"I think we can all define a culture, but it doesn't become established unless we live it out daily, at all levels. Strive to have your actions and words align, otherwise any messaging feels empty."

"Trying to make an abrupt total change will more than likely be looked upon with skepticism. My suggestion is to be diligent and put the time and effort into what is honestly the culture that you envision. Be sure that when you ask yourself the tough questions that arise that your answers align fully with your core values."

"Consistently reiterate the message in verbal communication and written communication to both employees and customers and then most importantly back it up in actions."

"The easiest way is to identify a handful of employees that epitomize the culture, then pull together a list of words that describe them (their personalities, the way they deal with other associates, customers and vendors, their work ethic, approaches to their job responsibilities, etc. Before long, you will have defined the foundation of your culture."

"The culture of a company doesn't change over night. It takes time, and you must be prepared to lose people who don't believe in the direction you want to go."

"We created a strategy team and met monthly. In those meetings we collectively came up with and agreed on core values, mission statements, etc. Then we branched out to next level team members and have them lead by example. Culture is catchy whether it is good or bad."

"Put meaning and method behind what you say. Don't just talk about your culture, but live it. Lead by doing what you say." ■

Hundreds of readers share their insights for this every-issue feature. Have a Real Issue? Contact Rick@LBMJournal.com.

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LBM JOURNAL DEALER OF THE YEAR 2022

ANNUAL SALES: \$10-\$50 MILLION

LBM JOURNAL'S 2022 DEALER OF THE YEAR AWARDS, sponsored by Epicor, recognize four LBM companies of different sizes that epitomize the entrepreneurial spirit. By our definition, a Dealer of the Year describes a company in which leadership excels at identifying underserved—or emerging—markets, satisfying customers, and constantly working to grow and improve business. While these companies represent vastly different operations, the common thread is their fierce commitment to finding ever-better ways to serve their customers and their communities.

CAPITAL LUMBER COMPANY

BUTCH HEIMSOTH USES JUST FOUR WORDS to describe how he and Capital Lumber in Cheyenne, Wyoming came to be named an LBM Journal Dealer of the Year: Take care of customers.

Those four simple words have served his family well, since his grandfather, Ivan and father, Ed, purchased the business in 1965. For 57 years, the Heimsoth family has served the Cheyenne area. Butch, who once worked for his father, uncle, and aunt, now shares responsibilities for operating the single-location lumberyard with his sister, Mandy, and has since 2009.

One of Butch's earlier memories working in the lumberyard is filling balloons with helium and handing them out to other children who came into the store. It's one of his fondest early memories of contributing to the business, he says, but not the first. That would be dusting the shelves, something he was decidedly less fond of doing as a child. ▶▶

PHOTOS BY JOHN KLIPPEL PHOTOGRAPHY





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Capital Lumber's customer-first philosophy is deeply ingrained in the company's operations. President Butch Heimsoth says that he personally would rather look at service levels than revenue trends.

FAMILY BUSINESS

Today, Butch oversees operations as the president of the company, while his sister serves as the company controller, and two daughters play key roles in cabinet design and fleet dispatch. His son works part time after school, and his wife, Angie, helps with inventory control and customer service. His dad, Ed, still stops in every day.

"It's nice to have him around because I can still bounce things off him now and then," Butch says.

Just like his father before him, Butch doesn't offer anything to his children that they don't earn on their own in the company. He asks that they "Set the tone. Work as hard or harder than anyone else."



The family atmosphere at Capital Lumber extends well beyond just those tied to the Heimsoth name. Butch takes pride in the fact that everyone who works there really knows each other, knows spouses, and knows their kids' names, and they all look out for each other. "Sometimes a kid needs to come in before school because the bus isn't running. We all look after each other's kids, and that's the kind of family vibe we've got."

Butch says once when a customer noticed young children coloring in an office, the customer asked if he was running a daycare or a lumber business.

"I'm running a family business," Butch said. "It's what I've known, so it's what I do."

Butch says looking out for team members and their families is an aspect of the company culture at Capital Lumber of which he's most proud.

"They've weathered the storm with us when the economy was in a downturn, but we've been blessed to keep people whole."

During the Great Recession the company didn't go through layoffs or cut hours. Instead, Ed Heimsoth pulled from his own personal 401(k) plan, and never halted anyone else's retirement plan match.

"That's just not something we would do," Butch says. "My dad said, 'if you give me a solid, honest day's work, I'll give you a solid, honest day's pay. You share the fruits of the labor with your crew. You take care of them.'"

SERVING CHEYENNE

With a customer mix of around 80% pro builders, Capital Lumber is well-positioned to serve a growing market in the Cheyenne area, as more homeowners are in search of pastoral, Western locations for retirement, second homes, or working remotely.

Looking out for team members and their families is an aspect of the company culture at Capital Lumber of which President Butch Heimsoth is most proud. Shown below is Mandy Heimsoth, Ed Heimsoth, and Butch Heimsoth



The full-service lumberyard employs around 24 people, Butch says, most who are specialists in specific product lines such as building materials, doors and windows, cabinets, or flooring.

“We don’t have part-time people who come in just to check the register. They’re all salespeople who can also solve problems and understand projects.”

By serving as product category experts, the staff at Capital Lumber is best suited to partner with builder customers and connect those customers with homeowners looking for installed products.

“If they’re not successful, we’ll never be successful,” Butch says, recounting the “take care of customers” philosophy that earned his company more than \$15 million in revenue in 2021. Recent growth through outside sales has led to more commercial business as well.

A big part of taking care of customers in a single-location operation is making the customer experience in the showroom and yard as welcoming and beneficial as possible. To do so, Capital Lumber has recently undergone a complete reset of the store, updating the sales floor, shelves, and displays.

“We tailored it toward what I call ‘professional DIY’ folks, people who want a quality tool even if they only use it once or twice a year,” Butch says. “They value quality and the knowledge at Capital Lumber that comes along with it.”

Whether competing with other independents in the area or big box retailers, Butch says the team at Capital Lumber is second-to-none. Once an employee develops into a product expert, it’s far less likely they’ll leave the company, he says, adding, “Our employee length of tenure really goes against the norm, with several folks having been here 30-plus years.”

To prepare for any loss of knowledge when someone does leave the company, Butch says most of the Capital Lumber team is cross-trained. It’s not an official apprenticeship program, he says, but it’s close.

“We cross train our team members outside and inside. Someone from the yard can recommend a product inside. They know what and where it is and if we don’t have it, we can source it.”



GET TO KNOW CAPITAL LUMBER COMPANY

FOUNDED:	1965
LOCATIONS:	ONE
OWNERSHIP:	FAMILY
EMPLOYEES:	24
BUSINESS SOFTWARE:	EPICOR EAGLE
BUYING GROUP/CO-OP:	LMC
TOP THREE BRANDS SOLD BASED ON REVENUE:	LP SMARTSIDE JAMES HARDIE MASTERBRAND CABINETS

Serving Cheyenne means serving the whole community, Butch says. As such, Capital Lumber takes pride in supporting community organizations that need donations, whether it’s youth sports or charities.

“In 2009 when the market crashed my dad turned donations over to me and said, ‘take care of the people who take care of you.’ The Cheyenne community was taking care of us, so we continued to provide sponsorships and donations even if it was more than we were taking in that particular day.”

CUSTOMER FIRST

Capital Lumber’s customer-first philosophy is deeply ingrained in the company’s operations. In fact, Butch says that he personally would rather look at service levels than revenue trends.

“Are we taking care of customers? If we are, then we’re going to do alright. We’re not a transactional company, we’re more relational. That’s what our company culture reflects.” He shares the example of others who may over-stress about covering margins on every single delivery. “We don’t look at every single transaction as hitting our mark or making more money. We make 20- or 30-year customers by building relationships.

“The focus isn’t always on the margin, it’s on taking care of the customer.” ■





TECH TOOLS

TECHNOLOGY SOLUTIONS PROVIDE LBM DEALERS
THE POWER TO SUCCEED IN TODAY'S CHAOS.

BY MIKE BERGER

AS A SPECIES, we humans are pretty smart. We excel in creating things to make our lives easier, and we've been doing that for a very long time. Take for example a curious device discovered in 1928 just outside Baghdad, Iraq. Consisting of a clay jar with an asphalt stopper through which was sticking an iron rod surrounded by a copper cylinder, the so-called Baghdad Battery could produce about one volt of electricity when it was filled with vinegar. And while there remains some debate as to the device's exact function, one thing is clear—it was built to simplify some type of ancient process.

More than 2,000 years after the battery's creation, we're still developing technology to make processes easier. Take for example the lumberyard. Technology such as ERP systems that integrate an LBM dealer's financials, supply chain, operations, commerce, reporting, manufacturing, and human resource activities have become commonplace. And while that topic has long been a focus of our November/December In Depth feature, there are so many more technology options—some integrated with ERP and some not—that can help the LBM dealer work smarter and more efficiently.

COVID AS A CHANGE AGENT

It's doubtful anyone would argue that the global COVID-19 pandemic has had a tremendously negative impact on business. From shutdowns to labor shortages to supply chain disruptions, the pandemic has brought about intense problems for LBM dealers that have forced the industry as a whole to develop new technology solutions.

"As LBM dealers continue to face staffing shortages due to the 'Great Resignation,' fluctuating lumber prices and supply chain unpredictability, they'll lean into technology to help solve for these problems," says John Maiuri, president of the LBM & hardlines group at ECI Software Solutions, a creator of business management solutions that provide real-time visibility into every area of an LBM dealer's operation. "As a result, solution providers will look to update their offerings, specifically with tools dedicated to solving pain points such as using advanced replenishment algorithms for purchasing, and integrated e-commerce enabling their web presence to service more customers while managing staffing shortages."

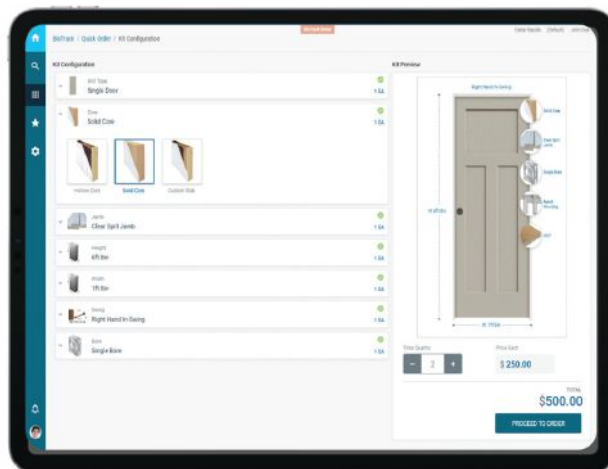
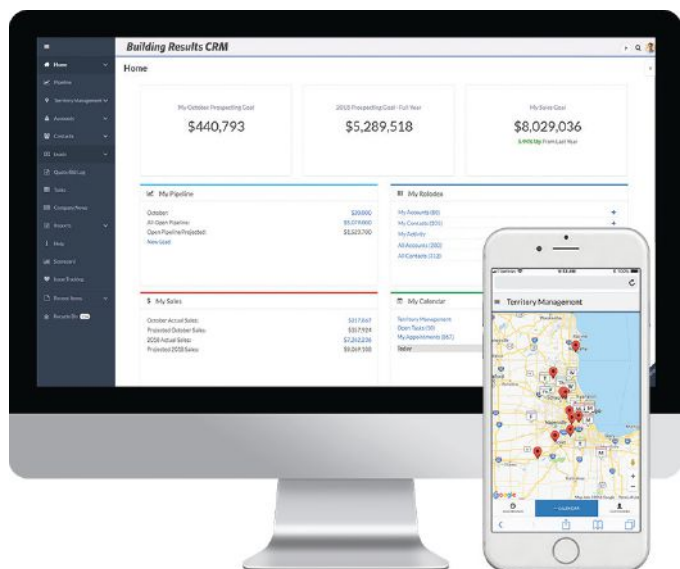
Steve Yates, executive vice president of enterprise sales for Buildxact, creators of estimating and project management software that assists builders in managing construction projects end-to-end, shares similar views as Maiuri, pointing out that LBM dealers are realizing the impact that technology can have on their organizations after their hands were forced to adopt more of it because of the pandemic. "Several dealers we have been communicating with are using these new tools to create efficiencies in their organizations that lead to cost and time savings, and with those time and cost savings, they are providing more value to their customers through more consultative services," he explains. "For instance, in the past, much of the technology that dealers invested in was limited to driving benefits exclusively to their business—across the country, businesses have been adding ERP, WMS, CRM and a variety of other acronym systems to help them be more efficient in their business operations. This technology and its adoption have been in place for quite some time, but

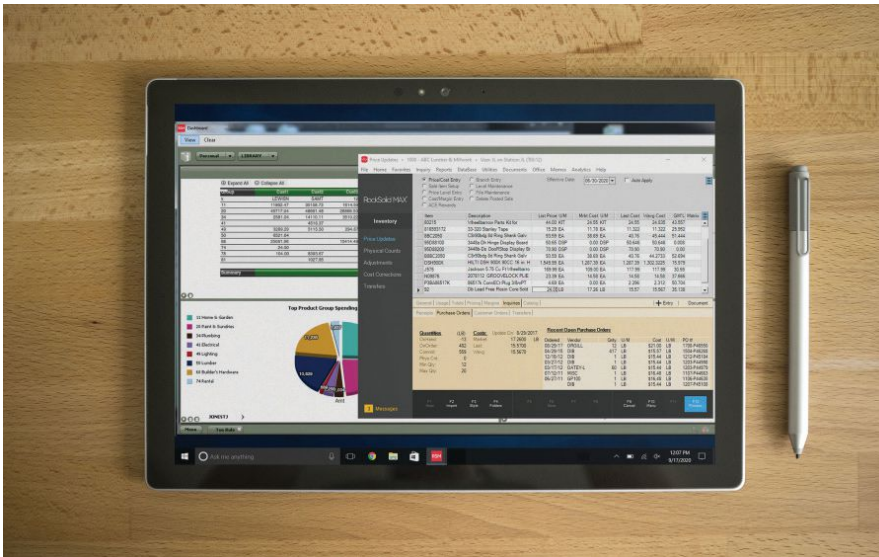
it's evolving in a way that allows the various back-office systems to integrate and to provide more comprehensive, smarter solutions, such as Buildxact, and that means huge advances for both the dealer and the builder. ►►

OPPOSITE PAGE: Buildxact's Takeoff feature can be used by both builders and dealers as part of their estimating process. According to Buildxact, it cuts down the time it takes to complete a takeoff by up to 80% compared to being done manually.

BELOW LEFT: Building Results CRM from DMSi is built specifically for the LBM industry. According to the company, while other programs provide contact information, sales data, and quote tracking, Building Results CRM helps sales reps grow their business with calendar and territory management while providing prospect goal setting, contact reminders, and more. It integrates with any backend system and converts a LBM dealer's sales data into a planning asset.

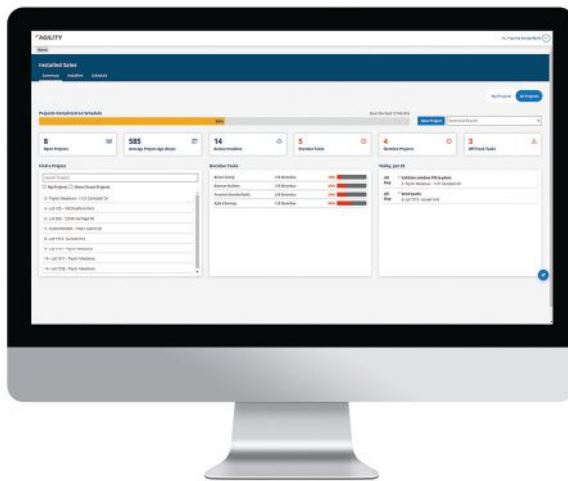
BELOW: Epicor's BisTrack is a UX that, according to the company, enables employees to work remotely while simplifying common business practices. Users can see 3D representations of their order configurations, schedule, dispatch and deliver product, optimize truck and driver usage, and minimize errors. With new extended support with WMS to support tagged packs, users can track by pack rather than by individual units, and rate shopping with Epicor Quick Ship allows users to see preview shipping rates with FedEx or UPS.





LEFT: ECI's RockSolid MAX software is a point-of-sale platform that helps suppliers using outdated or manual systems upgrade technology and get more done. Because the software is cloud based, the initial investment is lower, hardware requirements are reduced, and backups are automatic. Users can connect from anywhere so they can manage their business even when they aren't at the store.

BELOW LEFT: According to DMSi, its Installed Sales (a module in its Agility ERP software) is a way for LBM users to deliver additional value to their customers by providing end-to-end visibility into their installed sales jobs. From any location, project managers can view everything from sales orders and job details to contractor schedules and payment histories all in one place.



for the LBM dealer who is looking to succeed tomorrow while tackling the challenges of today.

E-COMMERCE SOLUTIONS

If there's one area that tech companies agree is here to stay, it's e-commerce. Because e-commerce continues to be a huge trend, LBM dealers need to find efficiencies in warehouse and inventory management to support e-commerce growth. "As customers' journeys shift into a more omni-shopping direction, dealers must ensure that their inventory is being accurately and efficiently displayed on all platforms," points out Zachary Pfeil, industry marketing principal at Epicor. "For those with multiple locations, this becomes even more important because from purchase to delivery, you want to make sure your various locations are working smarter, not harder, to get product out to customers as efficiently as possible."

To support that e-commerce growth, Epicor provides customized solutions for LBM distributors and continues to optimize its BisTrack platform, provide tools for responsive business intelligence, and support the ability to accept payments both online and in stores.

"The pandemic upended the way consumers shop and, as a result, e-commerce has become a lifeline for many," says ECI's Maiuri. "Contractors and consumers want to research and purchase items at their convenience, and without a proper web presence

It's an environment that has accelerated the need for LBM dealers to embrace change to match customer expectations in a post-pandemic world. As Paul Dean, vice president of sales and marketing for Builderwire, Inc., one of the LBM industry's oldest suppliers of e-commerce and digital integration solutions, points out, "The pandemic has altered the way virtually all LBM businesses are able to operate. Dealers are really pushing to adopt a more powerful, user-friendly, and well-merchandised online store."

FLEXIBLE SOLUTIONS FOR CHANGING DILEMMAS

With everything the LBM dealer is facing, it can be easy to feel overwhelmed by both the challenges and the intricacies of the solutions. Luckily, there are

many technology tools at the dealers' disposal, and the tech creators stand ready to assist in technology implementation. "Now more than ever, it is important to use technology to provide a differentiated customer experience," says Ryan Ayers, co-founder of Suppli, a payments and accounts receivable platform purpose-built for building material suppliers. "As demographics evolve, the customers of tomorrow demand that dealers provide them with the tools to make doing business easy. Invest in tomorrow or risk being left behind."

With that in mind, we've gathered some technology options for LBM dealers. While those presented here are not meant to be the only ones available for the problems they solve, they illustrate some options at hand

dealers risk losing valuable customers. Those who are looking to remain competitive and are eager to evaluate and modernize their business models should ensure the right e-commerce solution is part of that plan.”

E-commerce is far from a static environment, and tech makers constantly search for ways to improve the shopping experience. For example, in November, ECI acquired eCommonSense, an industry-specific e-commerce and product data management solution developed specifically for independent LBM dealers who were struggling to create an online experience on par with national chains. “The unified PIM, ERP integration, and customizable web templates help dealers efficiently build a customer-friendly shopping experience that fosters loyalty and drives growth,” explains Maiuri. “The solution includes value-added features for pro customers including access to account history, accurate contract pricing, project calculators and a professional quote builder. Plus, it’s industry specific, so accurate units of measure pricing and lumber features are already cared for in the software.”

Builderwire’s Paul Dean sees the development of e-commerce as a vital additional sales channel that provides 24-hour self-service sales. “This is not a new concept,” he explains, “as most everyone has purchased a stack of firewood or pumpkins at a roadside stand. Self-payment is the usual method of commerce, and delivery of the product is handled quite efficiently. Fast forward to today’s e-commerce world and the concept is the same. Customers want 24-hour access and hassle-free delivery. This applies throughout the LBM supply chain as B2B from manufacturers to distributors and retailers to professional contractors. And of course, as B2C from suppliers to consumers.”

As Dean explains, a major issue early on for LBM dealers in the implementation of e-commerce was the lack of data contained in the dealer’s ERP software. “Most major ERP companies hadn’t thought about giving external access to data using web services or APIs to pull the data,” he points out. “The younger generation

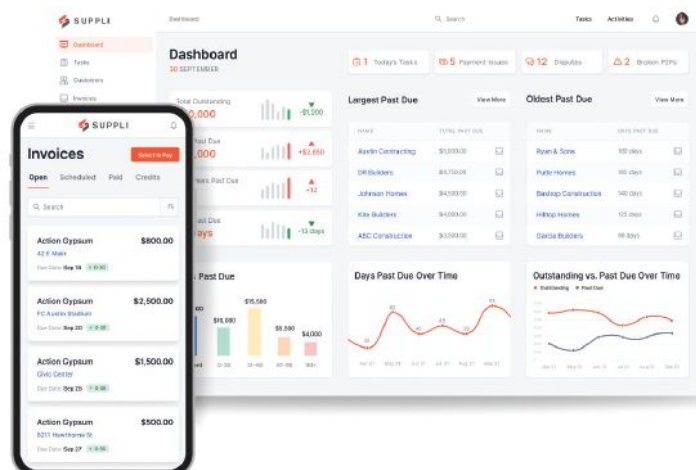


has influenced their company leaders to apply technological change and e-commerce capabilities. APIs and web services have become robust in being able to access dealers’ data, and, e-commerce software has become less expensive, more functional, and easier to deploy. The thinking now is: you can buy anything online, why not building materials?”

In the case of Builderwire, it not only takes the lead on providing the industry’s deepest e-commerce capabilities that integrate with virtually all of the major ERP providers, but now offers a complete digital marketing services division for its customers that provides one-on-one consultative services coupled with metrics, goal setting and performance analyzation. ►►

ABOVE: According to Curri, its all-in-one logistics platform helps LBM dealers move materials fast, reliably, and professionally via its technology platform that enables immediate scheduling of flatbeds, trucks, vans and cars for hotshots and daily routes, giving a competitive advantage to LBM dealers.

BELOW: From onboarding to invoicing to collections, Suppli’s technology is designed to empower LBM dealers to increase cash flow, reduce risks, and provide a better customer experience. Developed by a team composed of building material suppliers, software engineers, and financial experts, Suppli can free up sales and credit teams by automating routine tasks like sending invoice reminders and preparing lien waivers.



"Unlike digital consultants that offer observations and recommendations," Dean says, "we actually fine tune your Builderwire e-commerce webfront utilizing your data, including point-of-sale velocity results. Nobody else in the industry offers this integrated package." As well, Builderwire will help the LBM distributor learn all of the intricacies of SEO, online reputation management, and integration of social media platforms into the LBM dealer's digital marketing plan.

CUSTOMIZATION SOLUTIONS

Rather than one-size-fits-all solutions, tech developers build tools that can be customized to LBM dealers' specific needs, and software is available that can provide answers to very specific problems. "There is a trend away from relying on a monolithic technol-

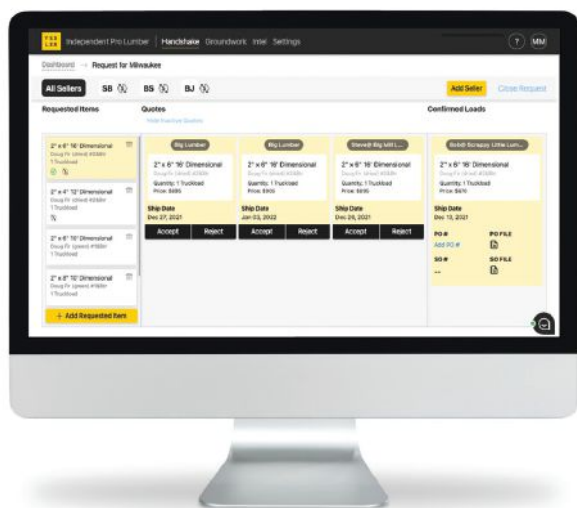
ogy platform to cover every aspect of the business and toward an adoption of more focused and specialized tech solutions for specific areas of the business," says Stephen J. Huson, head of marketing for Seattle-based Yesler, whose software aims to eliminate extra transactions and material movements between lumber suppliers and lumber buyers.

"Last year was a difficult year for commodity price risk, and a lot of lumber operators got caught with high priced inventory when prices rapidly fell," he explains. "Price volatility is continuing and managing this risk is critically important. We recommend that lumberyards invest in closely managing and planning commodity inventory, gaining executive visibility into inventory levels and working capital, and implementing buying tools

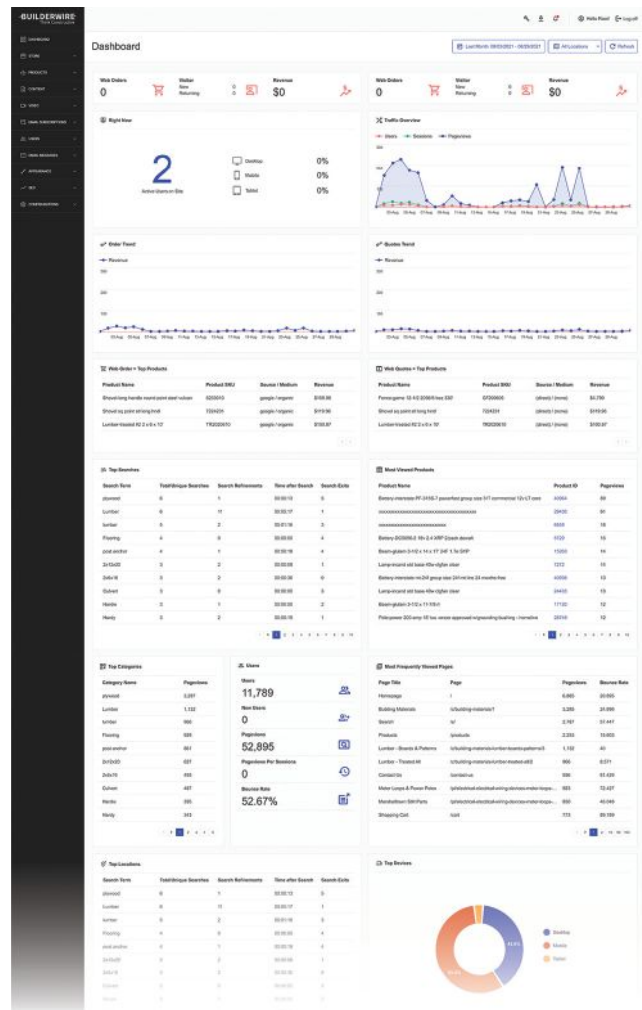
that keep the history accessible in order to support ongoing improvement and transition as individuals retire."

To that end, Yesler offers a variety of products including Handshake, a targeted solution for executing LBM buying that allows the user to build a request, invite sellers to quote, receive, and compare those quotes, and confirm loads. "Most lumberyards today utilize email and the telephone to execute truckload or railcar lumber purchases," says Huson. "Handshake is faster and allows for much easier communication with a large number of quoting suppliers, leading to faster and better buying. Because all the records of the quotes, etc. are in the system, it also makes it much easier to transition to a new buyer when one retires or to share responsibilities for buying." ►►

RIGHT: Builderwire's IBOS (dashboard is shown here) is an internet-based ordering system that integrates an LBM dealer's products with a customizable account system and a B2B/B2C e-commerce module to maximize business potential. According to Builderwire, IBOS allows LBM dealers to create an interactive web storefront system that showcases their product catalog while giving their clients 24/7 access to manage their account information and other balance details.

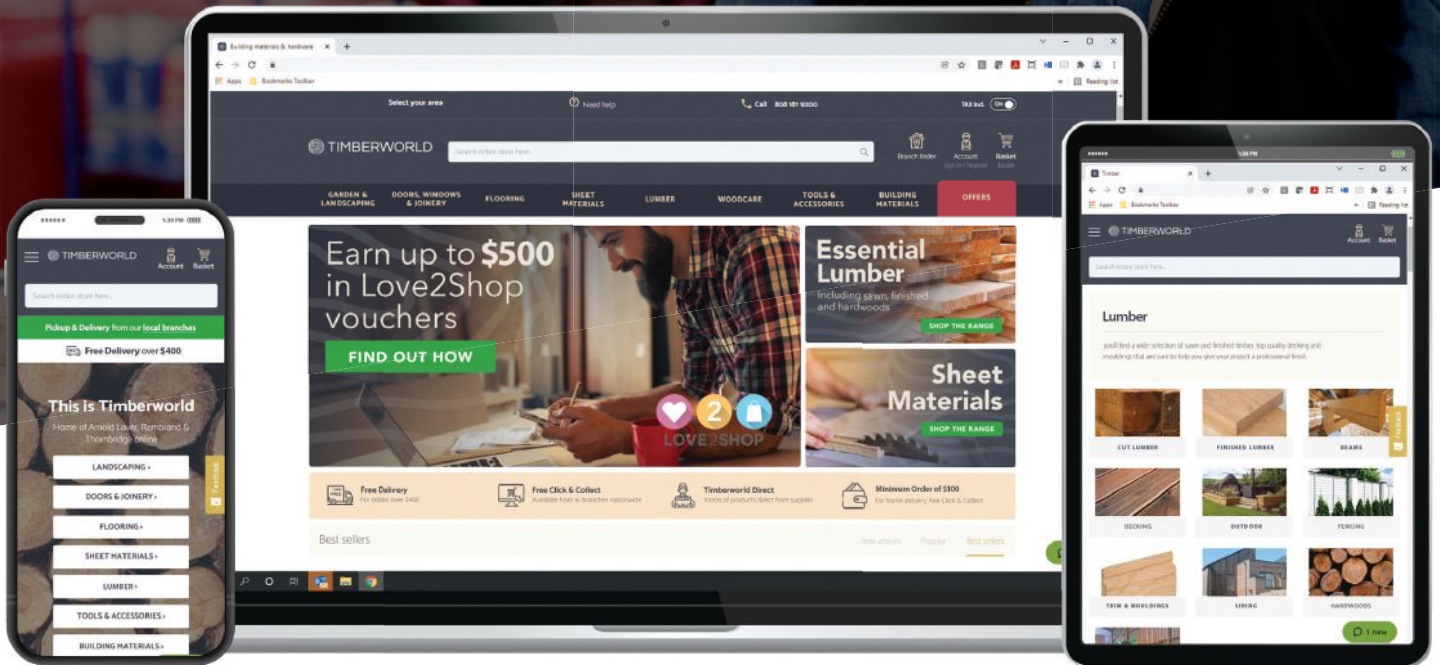


ABOVE: Yesler's Handshake is a new application to aid in buying. With the app, buyers invite their existing sellers while Yesler then recommends potential new sellers onto one dashboard to communicate, negotiate, and confirm loads. POs and confirmations are available in a calendar or list view through which buyers can access documents and all past load conversations.





Take your business online.



Introducing eCommonSense: eCommerce + Integrated Product Information Management (PIM)

Your customers want to shop online, but creating an ecommerce site website can feel overwhelming. ECI can help!

eCommonSense, is an ecommerce solution developed specifically for home and building suppliers with features you need to grow sales, increase loyalty, and improve efficiency in your business.

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Specialized tech solutions even exist for specific building and construction applications. For example, SmartBuild Systems provides the construction industry's only design system created specifically for pole barn buildings and residential metal roofing and reroofing. "Our SmartBuild system can be embedded on a lumber yard's website to empower visitors to 'design their own,'" says Keith Dietzen, the company's CEO and owner. "Design software that can automatically generate accurate takeoffs is important to stay competitive in the post frame segment. SmartBuild generates accurate takeoffs in addition to generating a 3D model and a full set of construction drawings."

FINANCIAL SOLUTIONS

Technology isn't just for getting products into customers' hands quicker and more efficiently—it can also significantly aid in the LBM dealer getting paid in a timely fashion, and can even help with providing financing for their customer. "Technology needs to do more than make a dealer's life easy. It also has to make their customer relationships stickier," says Suppli's Ayers. "A good example of this is payments and A/R software. Customers are used to making payments and managing their accounts online elsewhere, yet the status quo payments and A/R process at most LBM dealers remains paper-based and hamstrung by unnecessary friction. Requiring paper credit apps and job sheets leads to lost customers and missed sales."

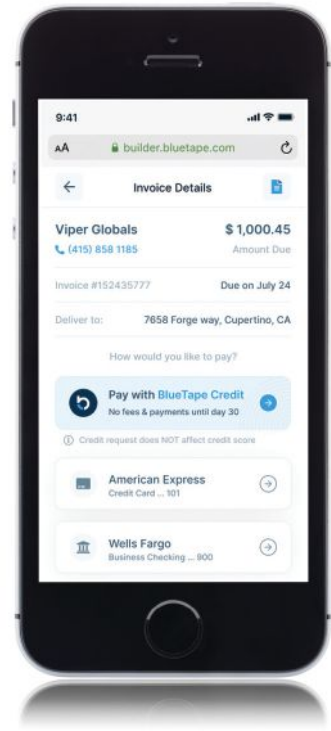
Suppli's solution is to eliminate friction and paperwork with mobile-friendly digital forms while serving as a customer portal made for contractors. The Suppli portal is built for the jobsite, with a simple, mobile-first design to quickly view and pay invoices. Suppli also simplifies ACH/e-check payments for customers to avoid credit card processing fees, and provides customizable collection workflows so that LBM dealers can instead focus on sales and higher-value accounts while automating routine tasks like invoice reminders via email and text. As well, the software delivers project-based accounts receivable management and

automatically organizes invoices to allow for project-by-project accounting and payments.

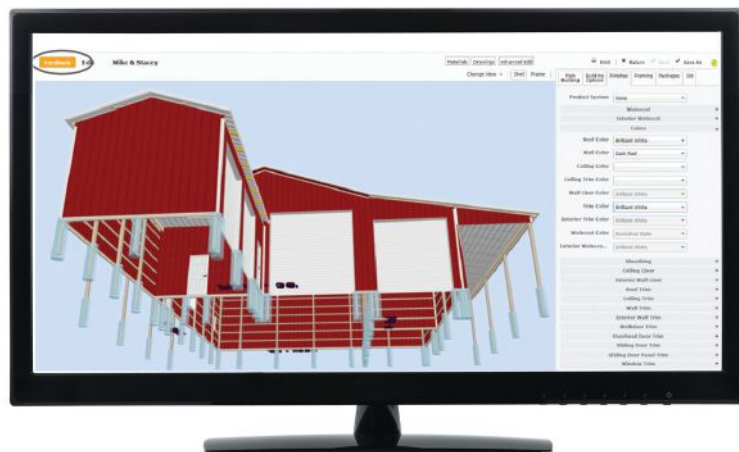
"Digitalization and automation is a general trend that is enabling industry players to reach younger builders and contractors, as companies in the industry led by millennials are every year a larger part of the market," points out Yaser Masoudnia, CEO and founder of BlueTape, a payment and financing platform designed for the construction industry that enables building material suppliers to streamline their accounts receivable, offer risk-free extended financing to their customers, and get paid upfront. "Leveraging on tools that allow online management and reducing the manual burden on the team allows companies to grow their potential customer base and focus their team's efforts towards the core of their business."

BlueTape combines financial products and software into one solution. It utilizes technology that aggregates data from a variety of sources to offer credit to construction businesses for their building supplies. According to Masoudnia, when an LBM dealer partners with BlueTape and leverages its technology to automate their Accounts Receivable, that dealer's customers can then use BlueTape credit to buy supplies at their stores. The dealer gets paid upfront and their customers will pay BlueTape back based on their payback plan chosen at the point of sales.

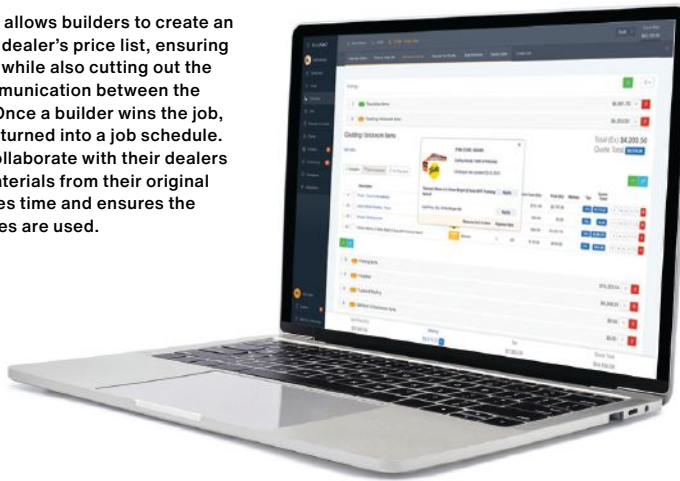
BELOW: According to BlueTape, its product enables the small LBM distributor to compete with the big box stores. It gives LBM dealers the ability to leverage ACH and credit card processing, especially when the customer is not present in the store. It offers credit to a distributor's customers, facilitating upfront payment to the distributor. It also allows financing options up to 90-day net terms, and there are no minimum transactions or long-term commitments.



BELOW: According to SmartBuild Systems, its software is the construction industry's only complete design system for pole barn buildings and residential metal roofing and reroofing. Designed to be easy to use, this web-based software generates a 3D model, material lists, pricing, proposals, and construction documents for almost any post frame structure or steel roof.



Buildxact's platform allows builders to create an estimate using their dealer's price list, ensuring accurate estimates, while also cutting out the back-and-forth communication between the builder and dealer. Once a builder wins the job, the estimate is then turned into a job schedule. Builders can then collaborate with their dealers through ordering materials from their original estimate, which saves time and ensures the correct product codes are used.



In addition, BlueTape offers dealers' customers a wide range of payment plans, including 30 (0% fees), 60, and 90 day terms. As well, LBM dealers can choose to continue offering their net terms and credit to their customers and only use BlueTape to automate accounts receivable and accept online and mobile payments. "Given that 82% of contractor businesses are under 10 employees with no or minimal back office operation, it's essential to enable them to make payments from anywhere on their phone," explains Masoudnia. "On average, LBM dealers who use BlueTape are paid 26 days faster for their invoices after joining. This is a significant improvement in the efficiency of accounts receivable."

DATA SOLUTIONS

As should be obvious, data is at the heart of every tech solution, and having the ability to easily extract that data and properly analyze it is key to success in this ever-changing world. "Dealers should be investing in tools that help them aggregate and learn from the various data inputs and outputs of their business," says Buildxact's Steve Yates. "It's such a ripe opportunity, and since it has forever rested untapped, it will uncover so much about their businesses, the supply chain, and where and how technology will be a good fit for their needs."

Epicor's Pfeil also sees investment in tech solutions that ease data analysis as sound strategies for the LBM dealer, pointing out a variety of tools dealers

should be considering when looking to make technology investments. "The first is journey planning and delivery," he points out. "With advancements in technology and GPS tracking, using applications like Geotab, businesses can get a better understanding of where their trucks are, times to load/unload, and when their trucks are arriving and departing from their facilities using geofencing. The next area is advanced warehouse management. It's costly to businesses to stop shipping or picking and do physical inventory counts. With new solutions, real-time information can be brought back to the ERP for accurate tracking of inventory and locations, and handheld devices can be utilized to drive efficient picking and packing of orders. The final area is configure, price, quote (CPQ) software that allows for 3D visualization so customers can see how their finished product will look in their environment and goes beyond some of the configurators or kits many have available today."

An example of game-changing ways that technology is improving business through data analysis is the recent integration of Buildxact and Epicor's BisTrack ERP system. As Yates explains, "This innovative collaboration frees builders to accurately estimate, price and order supplies at a time convenient to them. In turn, dealers spend time earning more business while wasting less time on emails, phone calls, and other transactional activities. With Buildxact and Epicor, dealers can use data to track purchasing behavior and

to predict customer demand. This protects margins, fosters price stability, and assures deliveries."

Likewise, ECI is focused on tools to help dealers uncover critical business trends without time-consuming reporting and analysis. "With our embedded Graphical Analytics," says ECI's Maiuri, "LBM businesses can get visual, actionable insights from the data in their ERP system to quickly identify trends and find growth opportunities. In addition, our new RockSolid MAX's Daily Dashboard provides a snapshot of overall business performance and key metrics through an easy-to-understand dashboard, helping owners and business managers stay informed."

After seeing the many technology options available, it should be apparent that it's all about working smarter. As Epicor's Pfeil reminds us, "With many dealers being forced to do more with fewer human resources, our goal is to make every employee more efficient and give them easy-to-use tools," he points out, and it's a thought worth remembering. For it's by reducing the number of tasks—and the amount of time it takes to do them—that today's LBM dealer will be able to successfully navigate the unique challenges of today's environment. ■

Michael Berger is the former managing editor for HANDY Magazine and has been writing about home improvement and construction for the past 20 years.

HOT PRODUCTS

2022 INTERNATIONAL BUILDERS' SHOW

EDITORS' CHOICE

The 2022 International Builders' Show (IBS), held February 8-10 in Orlando, Florida, featured more than 1,200 exhibitors and covered more than 450,000 sq. ft. of exhibit space. Judging from the strong attendance even with some COVID-19-related complications, IBS 2022 delivered on its reputation as the place to see all the latest, greatest building products and technologies. While the majority of the 70,000 attendees are builders and contractors, IBS has also become known as the single biggest event for LBM dealers to connect directly with manufacturers and to learn about the latest product innovations. As we do each year, the following pages include a sample of products that our team believes may help make a difference for you and your company moving forward. The listings are in no particular order.

— The Editors





Evolve Stone

Winner in the categories of Most Innovative Building Material as well as Best in Show at IBS 2022, Evolve Stone is a mortarless, color-throughout stone veneer that is a fraction of the weight of the competition and designed to install up to 10 times faster. Evolve Stone is the only mortarless, color-throughout manufactured stone veneer that installs with a standard finish nailer.

The proprietary material was developed to hold its color throughout, like real stone, so it can be cut to fit on-site while maintaining high appearance standards. evolvestone.com



Barrette Outdoor Living railing kits for decorative screen panel infills

Named Best Outdoor Product, new railing kits are an addition to Barrette Outdoor Living's expanding line of products compatible with its assortment of Decorative Screen Panels, which also can be used with select vinyl fencing, mixed material fencing, pergola, and privacy screen kits. Homeowners can also use Decorative Screen Panels under decks in place of traditional lattice or as an interior or exterior wall hanging for cohesive styling. barretteoutdoorliving.com

Agility ERP from DMSi

The Agility ERP system from DMSi Software is developed to handle every step of the order and inventory management process, from sales and purchasing to delivery and invoicing. Agility's Mobile Warehouse Tools app is a powerful, easy-to-use inventory management tool. Using a standard mobile device, staff can receive products, move items, pick orders, and complete full physicals or cycle counts. Users can quickly scan, and with a few taps on the screen, the information is automatically uploaded to Agility. (If the device is out of WiFi range, information is stored locally and then automatically uploaded once WiFi connectivity is restored.) dmsi.com



LP NovaCore

LP NovaCore Thermal Insulated Sheathing is dual-layered and designed to protect structures against heat loss and gain. Structural OSB and XPS foam are bonded together to create an insulated wall panel that is said to be easy to install and can be handled, cut, and drilled like OSB, delivering an R-Value of 5 per inch of thickness. Provided that all panel edges are properly supported, LP NovaCore can be installed in vertical or horizontal orientations. LP NovaCore Thermal Insulated Sheathing will be available in summer 2022. lpcorp.com

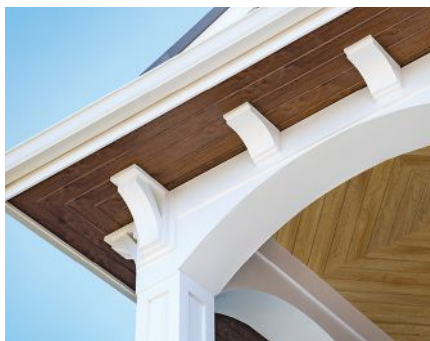


GAF Timberline Solar Energy Shingles

Named Most Innovative Construction Tool, Timberline Solar is made up of shingles, not panels or tiles. The shingles are designed to be water-shedding, strong, and warranted to withstand winds up to 130 mph. Timberline Solar is designed to blend in with the aesthetic of a house, with elements that add visual appeal like an architectural shingle. Energy Shingles are said to be the world's first nailable solar shingles, making Timberline Solar easy to install. The Timberline Solar roof has the same wind and water-shedding warranty coverage as Timberline HD shingles. gaf.energy

VERSATEX Canvas Series

The Canvas Series from VERSATEX is designed to deliver the rich look of premium woods with maintenance-free convenience. Exterior-grade, wood-tone laminates are bonded onto four VERSATEX profiles, eliminating labor-intensive restaining and adding the long-lasting durability and moisture/insect resistance of VERSATEX PVC. The Canvas Series can be installed anywhere traditional materials can, such as porch ceilings, soffit, accent walls, outdoor fences, showers, and more. Offered in a wide variety of textured, low-gloss finishes. versatex.com



Simpson Strong-Tie Fence Planner

Fence Planner software from Simpson Strong-Tie is designed to allow builders and dealers to grow their businesses. Fence Planner supplements a dealer's fence products by making it easy for customers to design strong, safe fences in minutes. Developed with flexible licensing packages, the manufacturer says users benefit from increased visibility, more sales and website traffic, weekly usage reports, and integrated SKUs and pricing. Fence Planner also creates a complete bill of materials, allowing retailers to provide customers a quote on the spot. strongtie.com



Huber AdvanTech X-Factor

A finalist in the category of Most Innovative Building Material, AdvanTech X-Factor is a new class of premium subflooring with a fade-resistant, water-shedding surface on a high-performance engineered wood panel. With a built-in protective top layer, it is designed to take the moisture-resistance expected from an AdvanTech panel to the next level and it pairs it with AdvanTech subfloor adhesive for a Squeak-Free Guarantee. According to the manufacturer, AdvanTech X-Factor protects the panel surface quality and appearance better than common OSB and plywood panels that can show flaking, delamination or discoloration from exposure to daily jobsite stress. The built-in, water-shedding top layer is designed to provide a smooth, even, premium subfloor surface that is marker-friendly and easy to clean. advantechxfactor.com



Qora Cut LedgeStone TightStack

A Most Innovative Building Material finalist, Qora Cut LedgeStone TightStack is designed to answer residential and commercial demand for a stacked stone aesthetic for exterior accents, including knee wall and wainscoting applications. Qora delivers the look and feel of genuine stone, without the time and expense of masonry. According to the manufacturer, the result is a lightweight, easy-to-install panelized system. Qora Cut LedgeStone TightStack is available in three colors: Charcoal, Gunstock, and Lexington to complement vinyl, wood, and fiber cement siding exteriors. qoracladding.com



BlueTape

BlueTape is a payment and financing platform designed for the construction industry. BlueTape was developed to enable building material suppliers and dealers to offer their customers a wide range of payment options, including Buy Now, Pay Later. Suppliers leverage BlueTape to streamline their Accounts Receivable departments and offer risk-free extended financing to their trade customers while getting paid upfront. bluetape.com



TruExterior Siding & Trim 5/8" Lap Siding

Westlake Royal Building Products is adding a new 5/8" Lap Siding to its TruExterior Siding & Trim line (formerly of Boral Building Products) of poly-ash siding products. This new profile features the look and shadow lines of traditional lap siding with the high performance of TruExterior's poly-ash material. It has a true 5/8" butt, a profile that mimics real cedar, and comes in 16' lengths. Made with a proprietary blend of polymers and fly ash, TruExterior 5/8" Lap Siding offers dimensional stability and durability for resistance to warping, cracking, and splitting. As a result, the siding requires no sealing of ends or cuts in the field, it can be used in ground-contact applications. truexterior.com



ODL Large Format Blink Blinds + Glass

Oversized options of ODL's Blink line feature blinds sandwiched between two panes of glass. Available in sizes up to 8'x8' and designed for large picture windows, bath windows, and multi-panel sliding patio doors, these options are engineered for maximizing natural light while also delivering complete privacy. odl.com



Feeney DesignRail Top Rail with wood grain

A finalist for Best Outdoor Product, Feeney's DesignRail with a wood grain TopRail finish is developed to provide the look of wood with the durability of powder-coated aluminum. DesignRail Aluminum Railing Systems are now available in Feeney's new ColorEasy palette, which includes 15 on-trend and classic colors along with three realistic wood grain finishes for top rail. feeneyinc.com



G Wood Pro wood products

Thermally modified siding and decking wood products from TanTimber, distributed by G Wood Pro, have been developed not to warp, expand, contract, or become a food source for insects. G Wood Pro's thermally modified wood has a brown tone, which naturally weathers over time to a silver-gray patina, if the wood is left untreated with pigmented and UV-protected wood oil. All G Wood Pro's products are chemical-free (nontoxic), eco-friendly, and fully recyclable. gwoodpro.com



eCommonSense from ECI

eCommonSense is an industry-specific ecommerce solution developed to provide an online shopping experience that rivals big box retailers, allowing builders and consumers to research and purchase items at their convenience. eCommonSense is fully integrated with ECI's ERP and its unified product information management system. ecommonsense.com



FastenMaster's PAMFast

The new cordless PAMFast Autofeeder Screw System adds the benefits of cordless motor options. The Smooth Advancement Technology exclusive to PAMFast is designed to eliminate jams for increased productivity. According to the manufacturer, PAMMax Fastener Belts hold up to 40% more fasteners for more time driving screws and less time reloading. The removable extension pole enables long-to-short conversion for a variety of fastening needs. PAMFast allows users to fasten subfloor and decking while standing comfortably, or convert to a short tool to fasten drywall, roof tiles, and more. fastenmaster.com



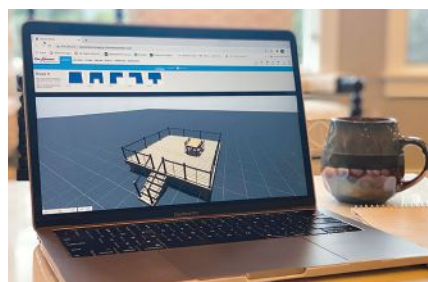
SawTek from Boise Cascade

The SawTek Cutter Plus is an automated EWP processing system developed to meet a wide range of pro dealer needs. According to the manufacturer, it provides many of the benefits of the more sophisticated SawTek Pro system while doing so as a lower entry point. The base system provides the ability to position EWP material to +/- 1/4" for precision cutting and hole routing and includes standard features such as integrated safety interlocks, Versa-Saw operator interface, SawTek production analytics, and more. Boise Cascade's BC Connect and BC Frammer software integrates with the SawTek system to streamline and manage the entire process. Designed to be modular and flexible, SawTek Cutter Plus allows dealers to start with a system that meets current needs and can add capabilities as their business evolves and grows. These options include a manual router or automated router, a larger 20" upcut saw, and infeed and outfeed material handling stands. bc.com/ewp/sawtek



Deckorators Deck Designer

The Deckorators Deck Designer software is developed to take a deck idea beyond ordinary with 3D-renderings that let users build a customized deck and style it with products. The new tool helps users activate unique design capabilities such as picture framing, board angles, shapes, and even multi-level options including a complete lineup of Deckorators composite decking, railings, balusters, postcaps, and more. The tool creates designs in 3D where users can also select different backdrops and add furniture, or upload a photo to visualize the deck in the actual space. deckorators.com



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Modern Mill

A finalist in the Most Innovative Building Material category, Modern Mill is a manufacturing company based in Fernwood, Mississippi that specializes in ACRE, a patented sustainable wood-alternative material made from upcycled rice hulls. Since its inception, the company has partnered with distributors throughout the U.S. to provide high-quality, eco-friendly trim boards, dimensional lumber, sheet goods, outdoor furniture, decking, and siding—bringing back a history of craftsmanship back to Mississippi in a zero-waste factory. modern-mill.com



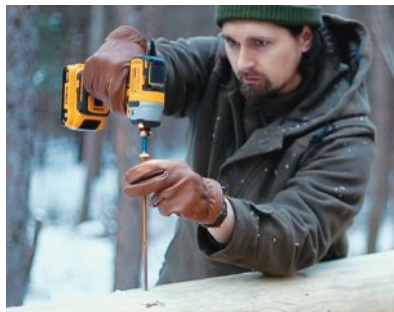
New CAMO ClipDRIVE

A finalist in the category of Most Innovative Construction Tool at IBS, CAMO, the ideck fastening brand from National Nail, has introduced ClipDRIVE, a better, faster, and easier way to install grooved decking with CAMO Universal Deck Clips. The next generation of stand-up fastening, ClipDRIVE is an ergonomic, lightweight tool that attaches to any drill and allows users to stand comfortably while fastening any type of grooved deck board. It features a height-adjustable handle and weighted nose designed so that users can quickly swing the tool from joist to joist and easily target the exposed screw head. The heavy-duty contractor-grade tool is said to be simple to put together and comes with a T-15 bit that's easy to install. CAMO Fasteners with CAMO ClipDRIVE were also named a finalist in the Best Outdoor Product category. camofasteners.com



Construction Screw from U2

U2 CS is the company's next generation of construction screws replacing lag screws. The screws are structural & ACQ treated lumber compliant in IAPMO report ER-454. The dome head is designed to enhance the structural capability. The U2 CS features the Tapper Point, which consists of the Cork Screw Start and Blade Cutting Thread designed for easy piercing and alleviating strain on the material. The Tight Star Recess system is designed to grasp the U-Bit tightly and can be installed with one hand. Underneath the screw head of the U2 CS, the Talon Grip is engineered to hold the screw tight to prevent loosening and uses its nibs to dig into the material when countersunk. The U2 Construction Screw is available in lengths from 1-1/2" to 20" made of hardened steel, and in lengths from 1-1/2" to 8" made of 316 Grade Stainless Steel. u2fasteners.com



Cascadia Rail by AGS Stainless

Cascadia is an all 316-marine-grade stainless steel product designed to be simple to install and still offer a clean, elegant appearance. Cascadia is engineered to capture the high visual impact of a custom-made, stainless steel railing system; but in a product that is available through local building materials suppliers. Cascadia consists of fewer than eight SKUs. According to the manufacturer, Cascadia is currently the only ICC-ES approved metal railing system with a horizontal infill, meaning it can be installed almost anywhere in the U.S. and Canada without the need for the engineering calculations typically required by local permitting authorities for custom stainless railing. agsstainless.com



MFM Roof Deck Tape

Roof Deck Tape, manufactured by MFM Building Products, is a 40-mil, self-adhering waterproofing membrane to flash the seams on plywood and OSB roof deck panels. According to the manufacturer, the product is easy to use, features an embossed traction surface, and self-seals around common roofing fasteners. After the roof deck panels are sealed, the membrane can then be covered with saturated felt, synthetic or self-adhered roofing underlayment. To ensure a completely waterproof barrier, the membrane should be overlapped by 6" on all end laps. Roof Deck Tape protects the structure before, during and after the final roofing system is installed. mfmbp.com



DaVinci Select Shake

Select Shake composite roofing from DaVinci Roofscapes is designed to capture the authentic look of real cedar shake taken from natural wood profiles. The impact- and fire-resistant shakes are available in 5/8" thick traditional shake profiles with 8" and 10" widths. 10" pieces have a simulated keyway, giving the look of 4" and 6" shakes to create a multi-width appearance. Unique tile design allows for fast installation. The tiles are designed to resist fading, rotting, cracking, and insects, and are code approved for use in high wind areas up to 110 mph. davinciroofscapes.com



TamlynWrap Drainable barrier

TamlynWrap Drainable is a high-performance water and air resistive barrier with a unique drainage pattern designed for the harsh conditions of a jobsite and all climate zones.

TamlynWrap Drainable is made from multiple non-woven and barrier layers engineered to provide durability, moisture and air infiltration protection with added drainage capability.

According to the manufacturer, the unique drainage pattern can remove 100 times more bulk water from a wall versus standard wraps offering enhanced moisture management and drying. The non-woven structure is backed by a warranty of up to 25 years. tamlyn.com



Trex Augmented Reality Decking and Railing Visualizer

Trex has introduced an app designed to enable homeowners and contractors to bring their deck visions to life before they build. Available for free via iTunes and Google Play, the tool features advanced AR technology that allows users to explore design possibilities using the full suite of Trex decking and railing products against the backdrop of actual home environments. Users can also specify and purchase select Trex products right from their mobile device. trex.com



Mantis deck clip installation tool

Sure Drive USA has introduced a new and improved Mantis concealed deck clip pneumatic installation tool. This newly designed tool offers a heavy duty EZ-Slide tray with a neodymium magnet to hold clips in place at any angle during installation. According to the manufacturer, the Mantis deck clip installation tool provides more than three times faster installation than other systems on the market. suredrive.com



Key-Link Fencing & Railing Chesapeake Series

The Chesapeake Series railing from Key-Link Fencing & Railing is an engineered aluminum railing system designed specifically to receive a deckboard top rail. The aluminum top profile contains hidden channels with predrilled holes every 12", so the installer can lay their deckboard of choice on the profile and attach with Key-Link-provided fasteners designed for ultimate ease of installation. keylinkonline.com



MAZE Nails stainless steel trim nails

Painted stainless steel trim nails are available in many different colors, pre-matched to all the major coil manufacturers' colors. MAZE Nails feature a checkered head specially designed to hold more paint than a smooth head. The painted trim nails are available in both smooth and ring shank engineered for extra holding power. Applications include use with trim coil, soffit, and fascia. mazenails.com



Tstud BareNaked studs

Tstud studs are designed to meet energy code requirements without continuous rigid insulation. The BareNaked Tstud is an uninsulated, thermally and sound broken wall stud designed to give the builder their choice of insulation. According to the manufacturer, using BareNaked studs can save 24% to 75% on annual heating and cooling costs. tstud.com



Trusscore Wall&CeilingBoard

Trusscore Wall&CeilingBoard was a finalist in the Most Innovative Building Material category. Designed with a high-strength polymer formulation and engineered as an alternative to traditional FRP, OSB, and drywall systems, Trusscore Wall&CeilingBoard is an integrated wall system complete with made-to-measure trims. According to the manufacturer, it doesn't require time-consuming painting or finishing after installation. Tongue and groove panels slide together, fasteners are invisible for a clean finish, and Wall&CeilingBoard panels are designed to integrate seamlessly with Trusscore SlatWall to create a total wall storage solution. Available in 1/2" thick, 16" wide panels in standard lengths of 8', 10', 12', 14', 16', and 20'. Available in white and gray colors.

trusscore.com



Hardie Architectural Collection

James Hardie's Hardie Architectural Collection features an all-new integrated solution of Hardie Architectural Panels and Hardie Architectural Trims, developed to inspire homeowners to reimagine their homes with fresh, modern exterior looks. Designed with architects for homeowners, the inaugural Hardie Architectural Panels showcase a variety of textures inspired by nature and deliver the protection of Hardie fiber cement siding. With a rolling region-by-region, multi-year U.S. launch, the first five Hardie Architectural Panels in the collection include: Smooth Sand, Smooth Sand-Grooved, Mounded Sand, Sea Grass, and Sculpted Clay. jameshardie.com



SupplyPro GM

SupplyPro GM is a cloud-based software solution specifically designed for residential contractors, trades, and suppliers to manage large volumes of construction jobs with ever-changing scopes and schedules and automate workflow with real-time communication between office, field and builder. Suppliers can manage every aspect of their business on SupplyPro GM and its mobile app. The SupplyPro GM mobile app allows field employees and back-office employees to work together anywhere, anytime, and on any device, even allowing users to work offline on job sites where internet connection can be unreliable. hyphensolutions.com



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A lot has happened since you came on board as a management trainee. The housing market has been growing non-stop, and your company set new sales records year after year, until being acquired by a larger company last spring. At first, you were concerned about how you and your middle-manager role might fit into the new, larger company. Fortunately, the owners of your original company have stayed involved, so the transition to being part of a larger organization went about as smoothly as you could have expected.

Now that it's been a year since the acquisition, there are some cracks starting to show, and you're not sure how to proceed. Here's the story:

The former owners—who you still report to directly—want to keep doing things the same as they always had. “If it's not broken, don't fix it,” is their motto, and they have a point. After all, the reason their company was successful, and what made it an attractive acquisition target, was all the things they'd done right for so many years. They built a strong company, with a loyal customer base and a solid bottom line.

As much as the people in the corporate office agree that their newly-acquired company does many, many things right, they still believe there's room for improvement. Specifically, they're looking at implementing more LEAN practices in your yard's operations. They also want to update the technology platform, which they believe will boost efficiencies and profits, while helping to attract more young people to the company.

You're on the same page with the folks in the corporate office, which puts you at odds with your direct supervisor who believes that these changes from the status quo are not just unnecessary, he sees them as a bad idea that would detract from your day-to-day operations.

You find yourself walking a fine line of wanting to make changes that the corporate office is advocating, but not making enemies of your direct supervisor—who you work with every day.

What would you do?



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- **KNOW YOUR PLACE.** Your direct supervisor, having built and grown the business, knows a thing or two. Follow her lead.
- **LOOK AHEAD.** With much of your career ahead of you, the smart play is to follow your gut and align with the corporate office.
- **MAKE IT HAPPEN.** Help your supervisor see that these changes are going to happen, and do what you can to smooth the transition.
- **DON'T TAKE SIDES.** This isn't your battle. Keep your opinion to yourself, and go with the flow.

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